

1190

RECEIVED
LEGISLATIVE AUDITOR

2009 MAY -1 AM 9:29

**CITY OF NEW IBERIA
FINANCIAL REPORT
OCTOBER 31, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 5/14/08

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

ANNUAL FINANCIAL REPORT
YEAR ENDED OCTOBER 31, 2007

TABLE OF CONTENTS

	Exhibit/ Schedule	Page
INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS	-	1 and 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	-	3 - 13
BASIC FINANCIAL STATEMENTS		
Statement of Net Assets	A	16 and 17
Statement of Activities	B	18 and 19
Balance Sheet - Governmental Funds	C	20 - 22
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	23
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	E	24 - 26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	28 and 29
Statement of Net Assets - Proprietary Fund - Business-Type Activities - Enterprise Fund	G	30 and 31
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Fund - Business-Type Activities - Enterprise Fund	H	32
Statement of Cash Flows - Proprietary Fund - Business-Type Activities - Enterprise Fund	I	34 and 35
Statement of Fiduciary Net Assets - Fiduciary Funds	J	36
Statement of Changes in Fiduciary Net Assets - Fiduciary Funds	K	37
Combining Statement of Net Assets - All Discretely Presented Component Units	L	38
Combining Statement of Activities - All Discretely Presented Component Units	M	39
Notes to Financial Statements	-	40 - 67
REQUIRED SUPPLEMENTARY INFORMATION		
Budgetary Comparison Schedule - General Fund	N-1	70 - 72
Sales Tax Fund	N-2	73
Garbage Fund	N-3	74
Disaster Relief Fund	N-4	75
Notes to Budgetary Comparison Schedules	N-5	76 and 77

	Exhibit/ Schedule	Page
OTHER SUPPLEMENTARY INFORMATION		
Combining Balance Sheet - Nonmajor Governmental Funds	O-1	80 - 82
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	O-2	84 - 86
Statement of Operating Expenses - Sewerage Fund	O-3	87
COMPLIANCE AND OTHER GRANT INFORMATION		
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>	-	91 and 92
REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	-	93 and 94
Schedule of Findings and Questioned Costs	P-1	95 - 97
Summary Schedule of Prior Audit Findings	P-2	98
Supplementary Schedule of Expenditures of Federal Awards	Q-1	100 and 101
Notes to Supplementary Schedule of Expenditures of Federal Awards	Q-2	102 and 103
Schedule of Compensation Paid to Council Members	Q-3	104



BROUSSARD, POCHÉ, LEWIS & BREAUX, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

4112 West Congress
P.O. Box 61400
Lafayette, Louisiana 70596-1400
phone: (337) 988-4930
fax: (337) 984-4574
www.bplb.com

Other Offices:

Crowley, LA
(337) 783-5693
Opelousas, LA
(337) 942-5217
Abbeville, LA
(337) 898-1497
New Iberia, LA
(337) 364-4554
Church Point, LA
(337) 684-2855

Herbert Lemoine II, CPA*
Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
P. John Blanchet, III, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
Martha B. Wyatt, CPA*
Fayette T. Dupré, CPA*
Mary A. Castille, CPA*
Joey L. Breaux, CPA*
Craig J. Viator, CPA*
Stacey E. Singleton, CPA*
John L. Istre, CPA*
Tricia D. Lyons, CPA
Mary T. Miller, CPA
Elizabeth J. Moreau, CPA

Retired:

Sidney L. Broussard, CPA 1925-2005
Leon K. Poché, CPA 1984
James H. Breaux, CPA 1987
Erma R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberley, CPA* 1995
Lawrence A. Cramer, CPA* 1999
Ralph Friend, CPA* 2002
Donald W. Kelley, CPA* 2005
George J. Trappey, III, CPA* 2007
Terrel P. Dressel, CPA* 2007

INDEPENDENT AUDITORS' REPORT

To the City of New Iberia
New Iberia, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Iberia, as of and for the year ended October 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented components units. Component unit financial statements audited by other auditors represent 84.02% and 82.08%, respectively, of the assets and program and general revenues of the aggregate discretely presented component units. One component unit, New Iberia City Marshal, is unaudited and represents 15.98% and 17.92%, respectively, of the assets and program and general revenues of the aggregate discretely presented component units. Audit reports have been furnished to us for those financial statements which were audited by other auditors, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Iberia, as of October 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated February 29, 2008, on our consideration of the City of New Iberia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 13 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of New Iberia's basic financial statements. The accompanying financial information listed as other supplementary information (including the schedule of expenditures of federal awards) and the budgetary comparison schedules listed as required supplementary information in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Broussard, Poche, Lewis & Bureau, L.L.P.

Lafayette, Louisiana
February 29, 2008

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

As financial management of the City of New Iberia (the "City"), we offer readers of this financial statement an overview and analysis of the financial activities of the City. This narrative is designed to assist the reader in focusing on significant financial issues, identify changes in the City's financial position, identify any material deviations from the approved budget documents, and identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts. It should be read in conjunction with the financial statements that begin on page 16.

HIGHLIGHTS

Financial Highlights

- Assets of the City primary government exceeded its liabilities at the close of the most recent fiscal year by \$79.9 million (net assets). Of this amount, 14.2% or \$11.3 million (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net assets increased by \$4.6 million (6.0%) during 2007. Governmental activities net assets increased \$5.3 million during 2007 while the business-type activities net assets decreased \$.7 million.
- As of the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$28.3 million, an increase of \$3.1 million in comparison with the prior year. Approximately 78.4% of this total amount, \$22.2 million, is available for spending at the City's discretion (unreserved fund balance).
- Resources available for appropriation in the General Fund were \$.6 million more than budgeted while expenditures and transfers were \$2.0 million less than budgeted for the year.
- At October 31, 2007, unreserved fund balance for the General Fund was \$8.0 million or 63.0% of total 2007 General Fund expenditures and transfers.

City Highlights

- The City completed construction of a new 6 MGB Wastewater Treatment Plant during the current year. The plant was put in service at the beginning of the fiscal year. Total cost was \$33.0 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

With the implementation of Governmental Accounting Standards Board Statement No. 34, a government's presentation of financial statements has been greatly changed. The new statements focus on the City as a whole (government-wide) and the major individual funds. The basic financial statements are comprised of three components:

1. Government-wide Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (see Exhibits A and B) are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. These statements combine governmental fund's current financial resources with capital assets and long-term obligations. Also presented in the government-wide financial statements is a column for the business-type activities of the City. Component units are separate legal governmental entities to which the City may be obligated to provide financial assistance and are presented as a separate column in the government-wide statements and as individual activities in the fund financial statements.

The statement of net assets (Exhibit A) presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, changes in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities (Exhibit B) presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. For example, uncollected taxes and earned but unused vacation leave result in cash flows for future periods. The focus of the statement of activities is on both the gross and net cost of various activities that are provided by the government's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of the cost and/or subsidy of various governmental services and business-type activities and component units.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities reflect the City's basic services including general government (executive, legislative, judicial, finance, administrative services), public safety (fire and law enforcement), streets and drainage, culture and recreation, urban redevelopment and housing, and economic development and assistance. These services are financed primarily with taxes. The business-type activities reflect private sector type operations where the fee for service typically covers all or most of the cost of operations including depreciation. The City's wastewater treatment operations are reported here.

The government-wide financial statements can be found on pages 16 through 19 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of New Iberia, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus is on major funds, rather than generic fund types.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental major funds (see Exhibits C through F) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan is typically developed. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the balance sheet and the statement of revenues, expenditures and changes in fund balances for the governmental funds provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of New Iberia maintains 19 individual governmental funds. Information is presented separately for the General Fund, Sales Tax Fund, Garbage Fund, Disaster Relief Fund, Debt Service Fund, Spanish Towne Paving Assessment Fund, 2006 Street Programs Fund and Home Mortgage Bond Fund, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation in one column, titled other governmental funds. Combining financial statements of the nonmajor funds can be found in the other supplementary information section which follows the basic financial statements.

Proprietary Fund represents an enterprise fund on the fund financial statements. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its wastewater treatment operations. The basic proprietary fund financial statements are located in Exhibits G through I.

Fiduciary Funds are used to account for resources held by the City in a trustee capacity or as an agent for others. These funds (see Exhibits L and M) are restricted in purpose and do not represent discretionary assets of the City. Therefore, these assets are not presented as part of the government-wide financial statements.

The total columns for the governmental funds in the fund financial statements require reconciliation to those amounts presented in the government-wide statements. The governmental funds differences result from the different measurement focus and the reconciliation is presented on the pages following each statement (see Exhibits D and F). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the government-wide statements. There is no reconciliation for the proprietary fund.

Infrastructure Assets

General capital assets include land, land improvements, buildings, vehicles, equipment, and infrastructure, and all other assets of a tangible nature that are used in operations and that exceed the City's capitalization threshold (See Note 4). The City has capitalized all purchased and donated capital assets and infrastructure general capital assets. Prior to the implementation of the new reporting model, no depreciation was charged on general capital assets. Accumulated depreciation was recorded for the first time in the 2003 financial statements based on the date of acquisition and the life span of the asset.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements and can be found on pages 38 through 64 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, the budgetary comparison schedules. Required supplementary information can be found in Exhibits N-1 through N-4 of this report.

The other supplementary information section referred to earlier in connection with the nonmajor funds is presented immediately following the required supplementary information in Exhibits O-1 and O-2.

Also included in the report is the Office of Management and Budget A-133 Single Audit auditor reports, findings and schedules.

The following table reflects the condensed statement of net assets for 2007, with comparative figures from 2006:

Table 1
City of New Iberia
Condensed Statement of Net Assets
October 31, 2007 and 2006
(in millions)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Assets:						
Current and other assets	\$ 31.9	\$ 27.3	\$ 5.6	\$ 5.0	\$ 37.5	\$ 32.3
Restricted assets	.2	.7	1.8	1.7	2.0	2.4
Capital assets	34.3	31.7	47.0	48.6	81.3	80.3
Total assets	<u>\$ 66.4</u>	<u>\$ 59.7</u>	<u>\$ 54.4</u>	<u>\$ 55.3</u>	<u>\$120.8</u>	<u>\$115.0</u>
Liabilities:						
Current liabilities	\$ 2.7	\$ 1.7	\$.3	\$ 1.3	\$ 3.0	\$ 3.0
Long-term liabilities	28.1	27.7	9.8	9.0	37.9	36.7
Total liabilities	<u>\$ 30.8</u>	<u>\$ 29.4</u>	<u>\$ 10.1</u>	<u>\$ 10.3</u>	<u>\$ 40.9</u>	<u>\$ 39.7</u>
Net assets:						
Invested in capital assets, net of debt	\$ 8.8	\$ 9.0	\$ 37.4	\$ 39.9	\$ 46.2	\$ 48.9
Restricted	20.6	16.2	1.8	1.7	22.4	17.9
Unrestricted	6.2	5.1	5.1	3.4	11.3	8.5
Total net assets	<u>\$ 35.6</u>	<u>\$ 30.3</u>	<u>\$ 44.3</u>	<u>\$ 45.0</u>	<u>\$ 79.9</u>	<u>\$ 75.3</u>

For more detailed information see Exhibit A, the statement of net assets.

The City's combined net assets at year end total \$79.9 million. Approximately 57.8% (\$46.2 million) of the City's net assets as of October 31, 2007 reflects the City's investment in capital assets (land, buildings, equipment and infrastructure) less any related outstanding debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Another 28.0% (\$22.4 million) of the City's net assets are subject to external restrictions on how they may be used. The remaining 14.2% (\$11.3 million) of net assets, referred to as unrestricted, may be used to meet the ongoing obligations of the City to citizens and creditors.

Table 2 below provides a summary of the changes in net assets for the year ended October 31, 2007, with comparative figures from 2006:

Table 2
City of New Iberia
Condensed Statement of Changes in Net Assets
For the Years Ended October 31, 2007 and 2006
(in millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenues:						
Program revenues -						
Fees, fines, and charges for services	\$.9	\$.7	\$ 4.3	\$ 4.4	\$ 5.2	\$ 5.1
Operating grants and contributions	2.9	2.2	-	-	2.9	2.2
Capital grants and contributions	-	1.2	.1	-	.1	1.2
General revenues -						
Property taxes	3.6	3.5	-	-	3.6	3.5
Sales and use taxes	15.3	14.4	-	-	15.3	14.4
Occupational	1.4	1.3	-	-	1.4	1.3
Franchise fees	2.1	1.9	-	-	2.1	1.9
Grants and contributions not restricted to specific programs	.2	.2	-	-	.2	.2
Other	1.7	1.4	.4	.2	2.1	1.6
Total revenues	<u>\$ 28.1</u>	<u>\$ 26.8</u>	<u>\$ 4.8</u>	<u>\$ 4.6</u>	<u>\$ 32.9</u>	<u>\$ 31.4</u>
Expenses:						
General government	\$ 2.2	\$ 2.1	\$ -	\$ -	\$ 2.2	\$ 2.1
Public safety	7.9	7.8	-	-	7.9	7.8
Public works	6.8	5.1	-	-	6.8	5.1
Culture and recreation	2.1	1.8	-	-	2.1	1.8
Urban redevelopment and housing	1.2	1.1	-	-	1.2	1.1
Unallocated depreciation	1.6	1.7	-	-	1.6	1.7
Wastewater	-	-	5.3	3.6	5.3	3.6
Interest on long-term debt	1.2	.4	-	-	1.2	.4
Total expenses	<u>\$ 23.0</u>	<u>\$ 20.0</u>	<u>\$ 5.3</u>	<u>\$ 3.6</u>	<u>\$ 28.3</u>	<u>\$ 23.6</u>
Increase (decrease) in net assets before transfers	\$ 5.1	\$ 6.8	\$ (.5)	\$ 1.0	\$ 4.6	\$ 7.8
Transfers	.2	(3.5)	(.2)	3.5	-	-
Change in net assets	\$ 5.3	\$ 3.3	\$ (.7)	\$ 4.5	\$ 4.6	\$ 7.8
Net assets, November 1	<u>30.3</u>	<u>27.0</u>	<u>45.0</u>	<u>40.5</u>	<u>75.3</u>	<u>67.5</u>
Net assets, October 31	<u>\$ 35.6</u>	<u>\$ 30.3</u>	<u>\$ 44.3</u>	<u>\$ 45.0</u>	<u>\$ 79.9</u>	<u>\$ 75.3</u>

The City's total revenues were \$32.9 million and the total cost of all programs and services was \$28.3 million. Therefore, net assets increased \$4.6 million for the year. Our analysis below separately describes the operations of governmental and business-type activities.

Governmental Activities net assets increased \$5.3 million in 2007. The cost of all governmental activities this year was \$23.0 million. As shown in the statement of activities in Exhibit B, the amount that our taxpayers financed was \$19.2 million because some of the cost was paid by those who directly benefited from the programs (\$.9 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$2.9 million). Program revenues only covered 16.5% of total costs.

The City's largest program in governmental activities is public safety, with \$7.9 million of resources applied thereto. Following that is public works, general government, and culture and recreation.

Business Type Activities net assets decreased by \$.7 million in 2007. Charges for services make up 89.6% of the revenues in the business-type activities. There were no changes in rates and fees during 2007.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year, the City's governmental funds reported combined ending fund balances of \$28.3 million, an increase of \$3.1 million in comparison with the prior year. Approximately 78.4% of this total amount (\$22.2 million) constitutes unreserved fund balance, which is available for spending at the City's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to: (1) liquidation of contracts (\$1.6 million), (2) payment of debt service (\$1.5 million), and (3) other miscellaneous commitments (\$3.0 million).

The General Fund is the chief operating fund of the City of New Iberia. At the end of the fiscal year, total fund balance of the General Fund was \$10.8 million, \$8.0 million of which was unreserved. Compared with total fund balance of \$8.5 million at the end of 2006, fund balance increased 27.1% (\$2.3 million).

Fund balance in the Sales Tax Fund and Garbage Fund each increased \$.9 million while the fund balance in the 2006 Street Programs Fund decreased \$2.7 million as construction of the streets began this fiscal year. Fund balance for the other major funds remained relatively the same as the prior year.

Proprietary Fund: The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. As of the end of the current fiscal year, the City's proprietary fund reported ending net assets of \$44.3 million, a decrease of \$.7 million in comparison with the prior year.

The City's sole proprietary fund is the Sewerage Fund which accounts for wastewater services. As previously noted, the Sewerage Fund had no changes in rates charged to users.

GENERAL FUND BUDGETARY HIGHLIGHTS

The total difference between the original General Fund budget and the final amended budget was an increase in appropriations of \$1.3 million and an increase in revenues and transfers from other funds of \$.8 million.

When actual results for 2007 are compared with the final budget, revenue collections, including transfers, exceeded projections by \$.6 million and expenditures and transfers were \$2.0 million less than appropriated; a positive variance of \$2.6 million. The only material differences between actual results and budgeted amounts in the General Fund were related to transfers to other funds, franchise fees, and State grants.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The City of New Iberia's investment in capital assets for its governmental and business type activities as of October 31, 2007 amounts to \$81.3 million (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, equipment, wastewater facilities, and infrastructure. The net increase in the City's investment in capital assets for the current fiscal year was 1.2%, a 8.2% increase for governmental activities and a 3.3% decrease for business-type activities.

Table 3
CITY OF NEW IBERIA
Capital Assets
(Net of Depreciation)
October 31, 2007 and 2006
(in millions)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 1.3	\$ 1.3	\$ 1.4	\$ 1.4	\$ 2.7	\$ 2.7
Land improvements	.6	.3	-	-	.6	.3
Buildings and improvements	3.5	3.3	-	-	3.5	3.3
Equipment	2.0	1.8	.3	.4	2.3	2.2
Infrastructure	22.5	24.1	-	-	22.5	24.1
Sewer plant and equipment	-	-	45.0	13.7	45.0	13.7
Construction in process	4.4	.9	.3	33.1	4.7	34.0
Total	<u>\$ 34.3</u>	<u>\$ 31.7</u>	<u>\$ 47.0</u>	<u>\$ 48.6</u>	<u>\$ 81.3</u>	<u>\$ 80.3</u>

Major capital asset events during the current fiscal year included the completion of the construction on the new wastewater treatment plant and construction under the 2006 Street Program.

Additional information on the City's capital assets can be found in Note 4 of this report.

Long-Term Debt: At the end of the current fiscal year, the City had total bonded debt outstanding of \$37.2 million. Of this amount, \$26.4 million comprises debt backed by the full faith and credit of the City, \$1.1 million comprises debt resulting from the mergers into the Louisiana Firefighters' Retirement System, and the remaining \$9.7 million represents bonds secured solely by Sewer System revenues.

Table 4
CITY OF NEW IBERIA
Summary of Outstanding Debt at Year-End
October 31, 2007 and 2006
(in millions)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Notes payable	\$ 1.1	\$ 1.3	\$ -	\$ -	\$ 1.1	\$ 1.3
Claims payable	.1	.1	-	-	.1	.1
Compensated absences	.5	.5	.1	.1	.6	.6
Civil penalty	-	-	-	.2	-	.2
General obligation bonds	22.8	22.7	-	-	22.8	22.7
Certificates of indebtedness	3.6	3.1	-	-	3.6	3.1
Sewer revenue bonds	-	-	9.7	8.7	9.7	8.7
Total	<u>\$ 28.1</u>	<u>\$ 27.7</u>	<u>\$ 9.8</u>	<u>\$ 9.0</u>	<u>\$ 37.9</u>	<u>\$ 36.7</u>

The City of New Iberia's total debt increased during the year by \$1.3 million. This is mainly the result of scheduled principal payments of \$1.9 million made during the year and the City issuing \$3.2 million in sewer revenue and general obligation bonds under the DEQ revolving loan fund and issuing certificate of indebtedness for the Spanish Towne paving and sewer assessments.

As of October 31, 2007, City bonds are rated by Moody's Investors Service as Aaa.

Computation of the legal debt margin for general obligation bonds is as follows:

Ad Valorem Taxes:

Assessed Valuation	<u>\$150,506,961</u>
--------------------	----------------------

Debt Limit: 10% of Assessed Valuation (for any one purpose)	<u>\$ 15,050,696</u>
---	----------------------

Debt Limit: 35% of Assessed Valuation (aggregate, all purposes)	<u>\$ 52,677,436</u>
---	----------------------

Debt outstanding by purpose:

Street improvements	\$ 263,929
Fire protection	101,371
Police protection	36,179
Wastewater	13,005,000
Recreation	<u>43,521</u>

\$ 13,450,000

The Louisiana Revised Statutes limit the City's bonded debt for any one purpose to 10% of the assessed valuation of the taxable property and 35% for all purposes.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The following factors were considered when preparing the fiscal year 2008 budget:

- The historical trend for the City sales tax, a major revenue source for the City, has continued to be positive. The projected increase for the sales tax levies in the 2008 budget is 3.0%.
- The City employees receive annual cost of living increases based on CPI. The increase for 2008 was 2.6%.

These indicators were taken into account when adopting the budget for 2008. Amounts available for appropriation in the General Fund budget are \$8.4 million.

If budget estimates are met, the City's budgetary General Fund fund balance is expected to increase by \$.7 million by the close of 2008.

As for business-type activities, revenue and expenses are projected to remain basically the same.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of New Iberia's finances and to demonstrate accountability for monies received. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of New Iberia, Office of the City Treasurer, 457 E. Main Street, Suite 300, New Iberia, Louisiana 70560.

This page intentionally left blank.

BASIC FINANCIAL STATEMENTS

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF NET ASSETS
October 31, 2007

ASSETS	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Cash	\$ 16,176,194	\$ 1,820,389	\$ 17,996,583	\$ 232,939
Certificates of deposit	12,930,258	2,738,314	15,668,572	-
Investments	-	-	-	6,011
Accounts receivable	-	276,780	276,780	8,435
Accrued interest receivable	141,079	35,927	177,006	1,230
Special assessments receivable	885,780	-	885,780	-
Other receivables	152,510	-	152,510	145,959
Due from other governmental agencies	1,681,545	230,842	1,912,387	-
Internal balances	(378,847)	378,847	-	-
Due from external parties	7,498	-	7,498	44,863
Real estate held for resale	61,343	-	61,343	-
Other assets	1,984	-	1,984	2,376
Deferred debits	292,512	62,882	355,394	3,892
Restricted assets	203,588	1,775,980	1,979,568	-
Capital assets:				
Non-depreciable	5,654,773	1,681,338	7,336,111	-
Depreciable, net	<u>28,597,783</u>	<u>45,354,470</u>	<u>73,952,253</u>	<u>630</u>

Total assets	<u>\$ 66,408,000</u>	<u>\$ 54,355,769</u>	<u>\$120,763,769</u>	<u>\$ 446,335</u>
--------------	----------------------	----------------------	----------------------	-------------------

See Notes to Financial Statements.

LIABILITIES AND NET ASSETS	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Liabilities:				
Accounts payable	\$ 736,427	\$ 300,210	\$ 1,036,637	\$ 2,029
Retainage payable	464,917	12,839	477,756	-
Accrued expenses	84,369	17,034	101,403	5,402
Accrued interest payable	258,195	-	258,195	-
Due to other governmental agencies	12,900	-	12,900	-
Deferred revenue	1,017,701	-	1,017,701	-
Other liabilities	110,945	-	110,945	-
Due to external parties	28,098	-	28,098	-
Long-term liabilities -				
Portion due or payable within one year:				
Bonds payable	1,080,000	350,000	1,430,000	20,556
Certificates of indebtedness	306,600	-	306,600	-
Notes payable	200,393	-	200,393	-
Claims payable	13,867	-	13,867	-
Accrued compensated absences	55,109	9,085	64,194	-
Portion due or payable after one year:				
Bonds payable	21,698,071	9,310,000	31,008,071	77,084
Certificates of indebtedness	3,284,400	-	3,284,400	-
Notes payable	888,857	-	888,857	-
Claims payable	46,045	-	46,045	-
Accrued compensated absences	465,867	103,466	569,333	-
Total liabilities	\$ 30,752,761	\$ 10,102,634	\$ 40,855,395	\$ 105,071
Net assets:				
Invested in capital assets, net of related debt	\$ 8,841,997	\$ 37,375,808	\$ 46,217,805	\$ 630
Restricted for -				
Capital projects	4,065,492	-	4,065,492	-
Debt service	1,268,212	1,775,980	3,044,192	-
Other	15,236,365	-	15,236,365	-
Unrestricted	6,243,173	5,101,347	11,344,520	340,634
Total net assets	\$ 35,655,239	\$ 44,253,135	\$ 79,908,374	\$ 341,264
Total liabilities and net assets	\$ 66,408,000	\$ 54,355,769	\$ 120,763,769	\$ 446,335

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF ACTIVITIES
For the Year Ended October 31, 2007

Function/Program	Expenses	Program	
		Fees, Fines and Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities -			
General government	\$ 2,232,405	\$ 44,320	\$ 4,496
Public safety	7,929,217	529,286	46,237
Public works	6,793,135	29,724	1,223,414
Culture and recreation	2,096,608	336,640	155,030
Urban redevelopment and housing	1,191,224	-	1,422,177
Economic development and assistance	995	-	-
Unallocated depreciation	1,631,757	-	-
Interest on long-term debt	1,183,908	-	-
Total governmental activities	\$23,059,249	\$ 939,970	\$ 2,851,354
Business-type activities -			
Wastewater	5,306,418	4,262,978	3,095
Total primary government	\$28,365,667	\$ 5,202,948	\$ 2,854,449
Component units:			
City Court	\$ 443,231	\$ 420,342	\$ -
City Marshal	108,201	72,838	-
Iberia Home Mortgage Authority	25,772	-	-
Total component units	\$ 577,204	\$ 493,180	\$ -0-

General revenues:

 Taxes -

 Property

 Sales and use

 Occupational

 Franchise fees

 Grants and contributions not restricted
 to specific programs

 Investment income

 Miscellaneous

 Gain (loss) on sale of capital assets

Transfers

 Total general revenues and transfers

 Change in net assets

Net assets, beginning

Net assets, ending

See Notes to Financial Statements.

Revenues	Net (Expense) Revenue and Change in Net Assets			
	Primary Government			Component Units
Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
\$ 10,000	\$ (2,173,589)	\$ -	\$ (2,173,589)	\$ -
-	(7,353,694)	-	(7,353,694)	-
-	(5,539,997)	-	(5,539,997)	-
23,698	(1,581,240)	-	(1,581,240)	-
-	230,953	-	230,953	-
-	(995)	-	(995)	-
-	(1,631,757)	-	(1,631,757)	-
-	(1,183,908)	-	(1,183,908)	-
\$ 33,698	\$ (19,234,227)	\$ -0-	\$ (19,234,227)	\$ -0-
115,548	-	(924,797)	(924,797)	-
\$ 149,246	\$ (19,234,227)	\$ (924,797)	\$ (20,159,024)	\$ -0-
\$ -	\$ -	\$ -	\$ -	\$ (22,889)
-	-	-	-	(35,363)
-	-	-	-	(25,772)
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ (84,024)
	\$ 3,633,941	\$ -	\$ 3,633,941	\$ -
	15,277,483	-	15,277,483	-
	1,422,953	-	1,422,953	-
	2,055,839	-	2,055,839	-
	250,085	-	250,085	-
	1,336,851	306,993	1,643,844	25,156
	343,497	122,860	466,357	158,516
	(518)	(39,364)	(39,882)	-
	234,615	(234,615)	-	-
	\$ 24,554,746	\$ 155,874	\$ 24,710,620	\$ 183,672
	\$ 5,320,519	\$ (768,923)	\$ 4,551,596	\$ 99,648
	30,334,720	45,022,058	75,356,778	241,616
	\$ 35,655,239	\$ 44,253,135	\$ 79,908,374	\$ 341,264

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS
October 31, 2007

ASSETS	General	Sales Tax	Garbage
Cash	\$ 6,019,233	\$ 4,870,890	\$ 787,222
Certificates of deposit	3,970,532	4,314,443	1,224,733
Accrued interest receivable	36,475	44,005	21,031
Special assessments receivable	-	-	-
Other receivables	152,276	-	-
Due from other funds	1,099,580	378,239	-
Due from other governmental agencies	93,219	302,013	120,805
Other assets	1,984	-	-
Real estate held for resale	61,343	-	-
Restricted assets	-	203,588	-
Total assets	<u>\$ 11,434,642</u>	<u>\$ 10,113,178</u>	<u>\$ 2,153,791</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Cash overdraft	\$ -	\$ -	\$ -
Accounts payable	129,811	-	142,594
Retainage payable	-	-	-
Accrued expenses	57,790	-	-
Due to other funds	242,579	1,060,113	-
Due to other governmental agencies	-	-	-
Deferred revenue	131,921	-	-
Other liabilities	71,657	-	-
Total liabilities	<u>\$ 633,758</u>	<u>\$ 1,060,113</u>	<u>\$ 142,594</u>
Fund balances:			
Reserved for -			
Construction	\$ -	\$ -	\$ -
Debt service	-	-	-
DEQ loan payment	-	203,588	-
Sales taxes	2,757,992	-	-
Designated	1,640,000	1,296,412	-
Unreserved, undesignated	6,402,892	7,553,065	2,011,197
Unreserved, undesignated, reported in -			
Special Revenue Funds	-	-	-
Total fund balances	<u>\$ 10,800,884</u>	<u>\$ 9,053,065</u>	<u>\$ 2,011,197</u>
Total liabilities and fund balances	<u>\$ 11,434,642</u>	<u>\$ 10,113,178</u>	<u>\$ 2,153,791</u>

See Notes to Financial Statements.

<u>Disaster Relief</u>	<u>Debt Service</u>	<u>Spanish Towne Paving Assessment</u>	<u>2006 Street Programs</u>	<u>Home Mortgage Bond</u>	
\$ -	\$ 1,730,898	\$ -	\$ 807,084	\$ -	
1,324,417	-	-	-	932,198	
23,560	-	-	-	16,008	
-	-	778,050	-	-	
-	-	-	-	-	
-	10,282	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
<u>\$1,347,977</u>	<u>\$ 1,741,180</u>	<u>\$ 778,050</u>	<u>\$ 807,084</u>	<u>\$948,206</u>	C
					O
					N
\$ 798,658	\$ -	\$ -	\$ -	\$810,349	T
-	-	-	73,349	-	
-	-	-	378,734	-	I
-	-	-	-	-	
-	214,773	-	132,486	-	N
12,900	-	-	-	-	
-	-	778,050	-	-	U
-	-	-	-	-	
<u>\$ 811,558</u>	<u>\$ 214,773</u>	<u>\$ 778,050</u>	<u>\$ 584,569</u>	<u>\$810,349</u>	E
					D
\$ -	\$ -	\$ -	\$ 222,515	\$ -	
-	1,526,407	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	137,857	
536,419	-	-	-	-	
-	-	-	-	-	
<u>\$ 536,419</u>	<u>\$ 1,526,407</u>	<u>\$ -0-</u>	<u>\$ 222,515</u>	<u>\$137,857</u>	
<u>\$1,347,977</u>	<u>\$ 1,741,180</u>	<u>\$ 778,050</u>	<u>\$ 807,084</u>	<u>\$948,206</u>	

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
October 31, 2007

ASSETS	Other Governmental Funds	Total Governmental Funds
Cash	\$ 3,645,926	\$ 17,861,253
Certificates of deposit	1,163,935	12,930,258
Accrued interest receivable	-	141,079
Special assessments receivable	107,730	885,780
Other receivables	234	152,510
Due from other funds	1,100,114	2,588,215
Due from other governmental agencies	8,025	524,062
Other assets	-	1,984
Real estate held for resale	-	61,343
Restricted assets	-	203,588
Total assets	<u>\$ 6,025,964</u>	<u>\$ 35,350,072</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Cash overdraft	\$ 76,052	\$ 1,685,059
Accounts payable	381,877	727,631
Retainage payable	86,183	464,917
Accrued expenses	26,579	84,369
Due to other funds	1,337,711	2,987,662
Due to other governmental agencies	-	12,900
Deferred revenue	107,730	1,017,701
Other liabilities	39,288	110,945
Total liabilities	<u>\$ 2,055,420</u>	<u>\$ 7,091,184</u>
Fund balances:		
Reserved for -		
Construction	\$ 1,304,118	\$ 1,526,633
Debt service	-	1,526,407
DEQ loan payment	-	203,588
Sales taxes	-	2,757,992
Designated	2,401,002	5,475,271
Unreserved, undesignated	-	16,503,573
Unreserved, undesignated, reported in -		
Special Revenue Funds	265,424	265,424
Total fund balances	<u>\$ 3,970,544</u>	<u>\$ 28,258,888</u>
Total liabilities and fund balances	<u>\$ 6,025,964</u>	<u>\$ 35,350,072</u>

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
October 31, 2007

Total fund balances - governmental funds		\$ 28,258,888
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds.		
Capital assets, net		34,252,556
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the governmental funds.		
Accrued interest payable	\$ (258,195)	
Bonds payable	(22,778,071)	
Certificates of indebtedness payable	(3,591,000)	
Notes payable	(1,089,250)	
Claims payable	(59,912)	
Accrued compensated absences	<u>(520,976)</u>	(28,297,404)
Sales taxes which are not "measurable" at year end and therefore not available soon enough to pay for current period expenditures are not reported in the governmental funds.		1,148,687
Bond issue costs which are reported as expenditures in the year incurred in the governmental funds are deferred and amortized in the statement of activities.		
Bond issue costs, net of accumulated amortization		<u>292,512</u>
Net assets of governmental activities		<u>\$ 35,655,239</u>

See Notes to Financial Statements.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended October 31, 2007

	<u>General</u>	<u>Sales Tax</u>	<u>Garbage</u>
Revenues:			
Taxes -			
Ad valorem	\$ 1,116,359	\$ -	\$ -
Sales and use	1,908,991	9,544,955	3,817,982
Franchise	2,055,839	-	-
Licenses and permits	1,765,284	-	-
Intergovernmental	456,520	-	-
Charges for services	44,430	-	-
Fines and forfeitures	165,094	-	-
Investment income	446,702	452,604	61,757
Miscellaneous	102,272	-	45,000
Total revenues	<u>\$ 8,061,491</u>	<u>\$ 9,997,559</u>	<u>\$ 3,924,739</u>
Expenditures:			
Current -			
General government	\$ 2,045,376	\$ 79,716	\$ 31,887
Public safety	7,502,970	-	-
Public works	740	-	2,739,880
Culture and recreation	183,236	-	-
Urban redevelopment and housing	-	-	-
Debt service -			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	355,463	-	-
Total expenditures	<u>\$ 10,087,785</u>	<u>\$ 79,716</u>	<u>\$ 2,771,767</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (2,026,294)</u>	<u>\$ 9,917,843</u>	<u>\$ 1,152,972</u>
Other financing sources (uses):			
Transfers in	\$ 6,960,608	\$ -	\$ -
Transfers out	(2,680,450)	(9,041,415)	(300,036)
Bond proceeds	-	-	-
Sale of capital assets	2,665	-	-
Total other financing sources (uses)	<u>\$ 4,282,823</u>	<u>\$ (9,041,415)</u>	<u>\$ (300,036)</u>
Net change in fund balances	\$ 2,256,529	\$ 876,428	\$ 852,936
Fund balances, beginning	<u>8,544,355</u>	<u>8,176,637</u>	<u>1,158,261</u>
Fund balances, ending	<u>\$ 10,800,884</u>	<u>\$ 9,053,065</u>	<u>\$ 2,011,197</u>

See Notes to Financial Statements.

<u>Disaster Relief</u>	<u>Debt Service</u>	<u>Spanish Towne Paving Assessment</u>	<u>2006 Street Programs</u>	<u>Home Mortgage Bond</u>	
\$ -	\$ 1,559,264	\$ -	\$ -	\$ -	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
64,608	47,969	-	20,915	44,426	
-	-	-	-	-	
<u>\$ 64,608</u>	<u>\$ 1,607,233</u>	<u>\$ -0-</u>	<u>\$ 20,915</u>	<u>\$ 44,426</u>	C
					O
\$ -	\$ -	\$ -	\$ 103	\$ -	N
-	-	-	-	-	T
-	-	-	-	-	I
-	-	-	-	-	N
-	1,581,283	-	-	-	U
-	1,149,298	-	-	-	E
-	-	-	3,886,205	-	D
<u>\$ -0-</u>	<u>\$ 2,730,581</u>	<u>\$ -0-</u>	<u>\$ 3,886,308</u>	<u>\$ -0-</u>	
<u>\$ 64,608</u>	<u>\$ (1,123,348)</u>	<u>\$ -0-</u>	<u>\$ (3,865,393)</u>	<u>\$ 44,426</u>	
\$ -	\$ 1,322,449	\$ -	\$ 1,154,084	\$ -	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
<u>\$ -0-</u>	<u>\$ 1,322,449</u>	<u>\$ -0-</u>	<u>\$ 1,154,084</u>	<u>\$ -0-</u>	
\$ 64,608	\$ 199,101	\$ -	\$ (2,711,309)	\$ 44,426	
<u>471,811</u>	<u>1,327,306</u>	<u>-</u>	<u>2,933,824</u>	<u>93,431</u>	
<u>\$536,419</u>	<u>\$ 1,526,407</u>	<u>\$ -0-</u>	<u>\$ 222,515</u>	<u>\$137,857</u>	

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
For the Year Ended October 31, 2007

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes -		
Ad valorem	\$ 958,318	\$ 3,633,941
Sales and use	-	15,271,928
Franchise	-	2,055,839
Licenses and permits	-	1,765,284
Intergovernmental	2,612,605	3,069,125
Charges for services	352,495	396,925
Fines and forfeitures	-	165,094
Investment income	197,834	1,336,815
Miscellaneous	11,221	158,493
Total revenues	<u>\$ 4,132,473</u>	<u>\$ 27,853,444</u>
Expenditures:		
Current -		
General government	\$ 21,895	\$ 2,178,977
Public safety	-	7,502,970
Public works	3,291,139	6,031,759
Culture and recreation	1,789,592	1,972,828
Urban redevelopment and housing	1,190,256	1,190,256
Debt service -		
Principal retirement	-	1,581,283
Interest and fiscal charges	-	1,149,298
Capital outlay	1,282,145	5,523,813
Total expenditures	<u>\$ 7,575,027</u>	<u>\$ 27,131,184</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (3,442,554)</u>	<u>\$ 722,260</u>
Other financing sources (uses):		
Transfers in	\$ 3,360,188	\$ 12,797,329
Transfers out	(275,004)	(12,296,905)
Bond proceeds	1,909,325	1,909,325
Sale of capital assets	-	2,665
Total other financing sources (uses)	<u>\$ 4,994,509</u>	<u>\$ 2,412,414</u>
Net change in fund balances	\$ 1,551,955	\$ 3,134,674
Fund balances, beginning	<u>2,418,589</u>	<u>25,124,214</u>
Fund balances, ending	<u>\$ 3,970,544</u>	<u>\$ 28,258,888</u>

This page intentionally left blank.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
For the Year Ended October 31, 2007

Net change in fund balances -	
total governmental funds	\$3,134,674

The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 4,844,909	
Depreciation expense	<u>(2,318,727)</u>	2,526,182

The net effect of various miscellaneous transactions involving capital assets, such as sales, trade-ins, and donations, is to decrease net assets.

(3,183)

Because some revenues are not considered measurable at year end, they are not considered "available" revenues in the governmental funds.

Sales taxes	5,526
-------------	-------

Bond proceeds are reported as financing sources in governmental funds and thus contributed to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of activities.

Bond proceeds	\$ (1,909,325)	
Principal payments	<u>1,581,283</u>	(328,042)

(continued)

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES (CONTINUED)
For the Year Ended October 31, 2007

Governmental funds report the effect of
issuance costs, premiums, discounts and
similar items when debt is first issued,
whereas these amounts are deferred and
amortized in the statement of activities.

Bond issue costs amortized	\$	(31,499)	
Bond issue costs incurred in the current year		<u>10,963</u>	(20,536)

Some expenses reported in the statement of
activities do not require the use of
current financial resources and therefore,
are not reported as expenditures in
governmental funds.

Increase in accrued interest payable	\$	(3,111)	
Decrease in claims payable		12,554	
Increase in compensated absences payable		<u>(3,545)</u>	<u>5,898</u>

Change in net assets of governmental activities			<u>\$5,320,519</u>
--	--	--	--------------------

See Notes to Financial Statements.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF NET ASSETS
PROPRIETARY FUND
BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND
October 31, 2007

	Business-Type Activities - Enterprise Fund <u>Sewerage</u>
ASSETS	
CURRENT ASSETS	
Cash	\$ 1,820,389
Certificates of deposit	2,738,314
Accounts receivable	276,780
Accrued interest receivable	35,927
Due from other funds	461,046
Due from other governmental agencies	230,842
Total current assets	<u>\$ 5,563,298</u>
NONCURRENT ASSETS	
Restricted cash	\$ 133,794
Restricted certificates of deposit	1,642,186
Total restricted assets	<u>\$ 1,775,980</u>
CAPITAL ASSETS	
Land	\$ 1,419,864
Buildings and improvements, net	22,624
Equipment, net	320,014
Sewer plant, net	45,011,832
Construction in process	261,474
Total capital assets	<u>\$ 47,035,808</u>
DEFERRED DEBITS	
Bond issue costs, net	<u>\$ 62,882</u>
Total assets	<u>\$ 54,437,968</u>

See Notes to Financial Statements.

	Business-Type Activities - Enterprise Fund <u>Sewerage</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES (payable from current assets)	
Accounts payable	\$ 300,210
Retainage payable	12,839
Accrued liabilities	17,034
Due to other funds	82,199
Accrued compensated absences	9,085
Total	<u>\$ 421,367</u>
CURRENT LIABILITIES (payable from restricted assets)	
Revenue bonds	<u>\$ 350,000</u>
Total current liabilities	<u>\$ 771,367</u>
NONCURRENT LIABILITIES	
Accrued compensated absences	\$ 103,466
Sewer revenue bonds	9,310,000
Total noncurrent liabilities	<u>\$ 9,413,466</u>
Total liabilities	<u>\$ 10,184,833</u>
NET ASSETS	
Invested in capital assets, net of related debt	\$ 37,375,808
Restricted for debt service	1,775,980
Unrestricted	5,101,347
Total net assets	<u>\$ 44,253,135</u>
Total liabilities and net assets	<u>\$ 54,437,968</u>

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUND
BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND
For the Year Ended October 31, 2007

	Business-Type Activities - Enterprise Fund <u>Sewerage</u>
Operating revenues:	
Charges for services -	
Customers	\$ 3,998,137
Parish Government under cooperative agreement	264,841
Miscellaneous	<u>5,360</u>
Total operating revenues	\$ 4,268,338
Operating expenses:	
Cost of services rendered	\$ 3,206,832
Depreciation	<u>1,780,888</u>
Total operating expenses	\$ 4,987,720
Operating loss	<u>\$ (719,382)</u>
Nonoperating revenues (expenses):	
Grant revenue	118,642
Investment income	306,993
Interest expense	(315,388)
Loss on disposal of assets	(39,364)
Other, net	<u>114,191</u>
Total nonoperating revenues (expenses)	\$ 185,074
Income (loss) before contributions and transfers	\$ (534,308)
Capital contributions	37,979
Transfers in	506,162
Transfers out	<u>(778,756)</u>
Change in net assets	\$ (768,923)
Net assets, beginning	<u>45,022,058</u>
Net assets, ending	<u>\$ 44,253,135</u>

See Notes to Financial Statements.

This page intentionally left blank.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND
For the Year Ended October 31, 2007

	Business-Type Activities - Enterprise Fund <u>Sewerage</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 3,977,525
Receipts under cooperative agreement	213,939
Payments to suppliers for goods and services	(1,807,765)
Payments to employees and for employee related costs	(1,411,488)
Other receipts (payments)	<u>(109,045)</u>
Net cash provided by operating activities	<u>\$ 863,166</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in	\$ 499,722
Transfers out	<u>(1,212,394)</u>
Net cash used in noncapital financing activities	<u>\$ (712,672)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase and construction of capital assets	\$ (8,194,065)
Principal paid on revenue bonds	(340,000)
Interest paid on revenue bonds	<u>(315,388)</u>
Net cash used in capital and related financing activities	<u>\$ (8,849,453)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	\$ (214,117)
Investment income	<u>278,696</u>
Net cash provided by investing activities	<u>\$ 64,579</u>
Net decrease in cash and cash equivalents	\$ (8,634,380)
Balance, beginning of year	<u>10,588,563</u>
Balance, ending of year	<u>\$ 1,954,183</u>

(continued)

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUND
BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND
For the Year Ended October 31, 2007

	Business-Type Activities - Enterprise Fund <u>Sewerage</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	\$ (719,382)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	1,780,888
Other	236,142
Change in assets and liabilities -	
Receivables	(20,612)
Due from other funds	(39,941)
Due from other governmental agencies	(166,449)
Accounts payable and accrued liabilities	27,520
Other liabilities	<u>(235,000)</u>
Net cash provided by operating activities	<u>\$ 863,166</u>
Noncash investing, capital and financing activities:	
Capital assets contributed	<u>\$ 37,979</u>
Cash shown on statement of net assets as:	
Current assets	\$ 1,820,389
Restricted assets	<u>133,794</u>
	<u>\$ 1,954,183</u>

See Notes to Financial Statements.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
October 31, 2007

ASSETS	Pension Trust Funds	Agency Funds
Cash	\$ 880,509	\$ 119,336
Certificates of deposit	181,410	-
Due from other funds	28,098	-
Due from other governmental agencies	<u>200,625</u>	<u>-</u>
Total assets	<u>\$1,290,642</u>	<u>\$ 119,336</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ -	\$ 31,971
Cash overdraft	1,890	-
Due to other funds	7,498	44,863
Held for others pending court action	<u>-</u>	<u>42,502</u>
Total liabilities	\$ 9,388	\$ 119,336
NET ASSETS		
Held in trust for pension benefits	<u>1,281,254</u>	<u>-</u>
Total liabilities and net assets	<u>\$1,290,642</u>	<u>\$ 119,336</u>

See Notes to Financial Statements.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Year Ended October 31, 2007

	Pension Trust Funds
Additions:	
Fire insurance rebate	\$ 126,499
Investment income	49,794
Other	<u>48,806</u>
Total additions	<u>\$ 225,099</u>
Deductions:	
Benefit payments	\$ 30,811
Other	<u>276,636</u>
Total deductions	<u>\$ 307,447</u>
Change in net assets	\$ (82,348)
Net assets, beginning	<u>1,363,602</u>
Net assets, ending	<u><u>\$1,281,254</u></u>

See Notes to Financial Statements.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

COMBINING STATEMENT OF NET ASSETS
ALL DISCRETELY PRESENTED COMPONENT UNITS
October 31, 2007

ASSETS	City Court of New Iberia	New Iberia City Marshal (Unaudited)	Iberia Home Mortgage Authority	Total
Cash	\$ 125,565	\$ 62,872	\$ 44,502	\$ 232,939
Investments	-	-	6,011	6,011
Accrued interest receivable	-	-	1,230	1,230
Mortgage loans receivable	-	-	145,959	145,959
Accounts receivable	-	8,435	-	8,435
Due from external parties	44,863	-	-	44,863
Prepaid items	-	-	2,376	2,376
Unamortized debt issue costs	-	-	3,892	3,892
Capital assets, net	<u>630</u>	<u>-</u>	<u>-</u>	<u>630</u>
Total assets	<u>\$ 171,058</u>	<u>\$ 71,307</u>	<u>\$ 203,970</u>	<u>\$ 446,335</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	\$ 2,029	\$ -	\$ -	\$ 2,029
Accrued expenses	-	-	5,402	5,402
Long-term liabilities -				
Portion due or payable within				
one year:				
Bonds payable	-	-	20,556	20,556
Portion due or payable after				
one year:				
Bonds payable	<u>-</u>	<u>-</u>	<u>77,084</u>	<u>77,084</u>
Total liabilities	<u>\$ 2,029</u>	<u>\$ -0-</u>	<u>\$ 103,042</u>	<u>\$ 105,071</u>
Net assets:				
Invested in capital assets,				
net of related debt	\$ 630	\$ -	\$ -	\$ 630
Unrestricted	<u>168,399</u>	<u>71,307</u>	<u>100,928</u>	<u>340,634</u>
Total net assets	<u>\$ 169,029</u>	<u>\$ 71,307</u>	<u>\$ 100,928</u>	<u>\$ 341,264</u>
Total liabilities and				
net assets	<u>\$ 171,058</u>	<u>\$ 71,307</u>	<u>\$ 203,970</u>	<u>\$ 446,335</u>

See Notes to Financial Statements.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

COMBINING STATEMENT OF ACTIVITIES
ALL DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended October 31, 2007

	City Court of New Iberia	New Iberia City Marshal (Unaudited)	Iberia Home Mortgage Authority	Total
Expenses	\$ 443,231	\$ 108,201	\$ 25,772	\$ 577,204
Program revenues:				
Fees and fines	409,888	72,838	-	482,726
Bonds forfeited	<u>10,454</u>	<u>-</u>	<u>-</u>	<u>10,454</u>
Net program (expenses) revenue	<u>\$ (22,889)</u>	<u>\$ (35,363)</u>	<u>\$ (25,772)</u>	<u>\$ (84,024)</u>
General revenues:				
Intergovernmental	\$ 107,230	\$ 48,463	\$ -	\$ 155,693
Interest income	1,143	-	24,013	25,156
Other general revenues	<u>2,823</u>	<u>-</u>	<u>-</u>	<u>2,823</u>
Total general revenues	<u>\$ 111,196</u>	<u>\$ 48,463</u>	<u>\$ 24,013</u>	<u>\$ 183,672</u>
Change in net assets	\$ 88,307	\$ 13,100	\$ (1,759)	\$ 99,648
Net assets, beginning	<u>80,722</u>	<u>58,207</u>	<u>102,687</u>	<u>241,616</u>
Net assets, ending	<u>\$ 169,029</u>	<u>\$ 71,307</u>	<u>\$ 100,928</u>	<u>\$ 341,264</u>

See Notes to Financial Statements.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of the City of New Iberia (the "City") are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements for both the business-type activities and proprietary fund financial statements. Although the City has the option to apply FASB pronouncements issued after that date, they have chosen not to do so. The more significant of the City's accounting policies are described below.

Reporting entity:

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Primary government -

The City operates under a special legislative charter. The charter provides for the Mayor-Board of Trustees form of government. The City's operations include police and fire protection, streets and drainage, parks and recreation, certain social services (including urban redevelopment and housing) and general administration services. The City owns and operates one enterprise activity, a sewerage fund which provides sewerage services.

Component units -

Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

NOTES TO FINANCIAL STATEMENTS

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the primary government's governing authority (Board of Trustees or Mayor) appoints a majority of board members of the potential component unit.
3. Fiscal interdependency between the primary government and the potential component unit.
4. Imposition of will by the primary government on the potential component unit.
5. Financial benefit/burden relationship between the primary government and the potential component unit.

Based on the above criteria, the following are component units of the City.

City Court of New Iberia - The day-to-day operations of the City Court are funded through the City of New Iberia. In addition, the activities of the Court are primarily for City residents. The City has responsibility for funding any deficits of the Court. The City Court's fiscal year end is June 30.

New Iberia City Marshal - The day-to-day operations of the City Marshal are funded through the City of New Iberia. In addition, the activities of the Marshal are primarily for City residents. The City has responsibility for funding any deficits of the City Marshal. The City Marshal's fiscal year end is June 30.

Iberia Home Mortgage Authority - The Authority was formed as a public trust on January 16, 1979 pursuant to Chapter 2-A of Title 9 of the Louisiana revised statutes. The beneficiary of the trust is the City of New Iberia. The Authority was created to provide financing to low and moderate income families within the Parish of Iberia. The governing body is comprised of a ten member Board of Trustees consisting of the Mayor of City of New Iberia. The City has responsibility for funding any deficits of the Authority and approves its operating budget. The Authority's fiscal year end is March 31.

Complete financial statements of the above component units can be obtained at the office of the Legislative Auditor of the State of Louisiana, 1600 North 3rd, Baton Rouge, Louisiana 70802.

NOTES TO FINANCIAL STATEMENTS

Basis of presentation:

The City's basic financial statements consist of the government-wide statements on all of the non-fiduciary activities of the primary government and its component units and the fund financial statements (individual major fund and combined nonmajor funds). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Government-wide financial statements -

The government-wide financial statements include the statement of net assets and the statement of activities for all non-fiduciary activities of the primary government and the total for its component units. As a general rule, the effect of interfund activity has been removed from these statements. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The primary government is reported separately from the legally separate component units as detailed in the previous section.

In the government-wide statement of net assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net assets are reported in three parts - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities.

The government-wide statement of activities reports both the gross and net cost of each of the City's functions and business-type activities. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net cost (by function or business-type activity) is normally covered by general revenue (property, sales and use taxes, intergovernmental revenues, investment income, etc.).

NOTES TO FINANCIAL STATEMENTS

The City does not allocate indirect costs.

The government-wide focus is more on the sustainability of the City as an entity and the change in the City's net assets resulting from the current year's activities.

Fund financial statements -

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment income, result from nonexchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund - This is the City's primary operating fund. It accounts for all financial resources of the government, except those required to be accounted for in another fund.

Sales Tax Fund - This fund accounts for the receipts and disbursements of proceeds from the City's 1.25% sales and use tax levies. These taxes are dedicated as described in Note 9.

Garbage Fund - This fund accounts for the receipt and use of proceeds of two of the City's .25% sales and use tax levies. These taxes are dedicated as described in Note 9.

Disaster Relief Fund - This fund is used to account for financial resources of the government used to fund expenditures related to disasters.

Debt Service Fund - This fund is used to account for the receipts and disbursements of proceeds of the City's ad valorem taxes dedicated to debt retirement as well as debt retirement financed by other sources.

Spanish Towne Paving Assessment Fund - This fund is used to account for special assessments related to paving assessments financed by certificates of indebtedness issued by the City.

NOTES TO FINANCIAL STATEMENTS

2006 Street Programs Fund - This fund is used to account for proceeds from certificates of indebtedness issued to finance the City's 2006 street improvement program.

Home Mortgage Bond Fund - This fund is used to account for the proceeds from refunding Iberia Home Mortgage Authority's revenue bonds in 1995.

The City reports the following major enterprise fund:

Sewerage Fund - This fund is used to account for the monies collected from sewer user fees and the operations of the sewer plants.

In addition, the City reports the following:

Pension Trust Funds - These funds account for the accumulation of resources to be used for police and fire retirement annuity payments at appropriate amounts and times in the future. The funds do not account for the administrative costs of the systems, which are borne by the General Fund.

Agency Funds - These funds account for assets held by the City to cover estimated court costs in connection with criminal and civil suits.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

The City's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

Basis of accounting:

Government-wide, proprietary and fiduciary fund financial statements -

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual

NOTES TO FINANCIAL STATEMENTS

basis, property taxes are recognized in the year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements -

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Sales taxes are considered "measurable" when in the hands of the Sales Tax Collector and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed and collected. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. All other receivables collected within 60 days after year end are considered available and recognized as revenue of the current year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Cash and cash equivalents:

Cash includes amounts in interest-bearing demand deposits and on hand. The cash balances of the majority of the City's funds are pooled by the City. For purposes of statements of cash flows, highly liquid investments (including restricted assets) with an original maturity of three months or less are considered to be cash equivalents. The City has no cash equivalents at October 31, 2007.

Investments:

State statutes authorize the City to invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

In accordance with GASB Statement No. 31, investments meeting the criteria specified in the Statement are stated at fair value. Investments which do not meet the requirements are stated at cost.

NOTES TO FINANCIAL STATEMENTS

Custodial credit risk:

Deposits -

The City is exposed to custodial credit risk as it relates to their deposits with financial institutions. The City's policy to ensure there is no exposure to this risk is to require each financial institution to pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage. These securities must be held in the City's name. Accordingly, the City had no custodial credit risk related to its deposits at October 31, 2007.

Investments -

The City's policy is to require investments, if any, to be held in the City's name. At October 31, 2007, the City did not have any investments.

Interfund receivables and payables:

Short-term cash borrowings between funds are considered temporary in nature. These are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Prepaid items:

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Receivables:

All receivables are considered collectible and accordingly there is no allowance for doubtful accounts at October 31, 2007.

Bond discounts/issuance costs:

In governmental funds, bond discounts and issuance costs are recognized in the current period. In proprietary funds (and for governmental funds, in the government-wide statements), bond discount and issuance costs are deferred and amortized over the terms of the bonds to which such discounts and costs apply.

Restricted assets:

Certain resources of the City are classified as restricted assets on the balance sheet because their use is limited by debt restrictions.

NOTES TO FINANCIAL STATEMENTS

Fixed assets:

The accounting treatment over property, plant, and equipment (fixed assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide statements -

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Prior to November 1, 2002, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost and have been included in the accompanying financial statements.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

	<u>Years</u>
Land improvements	20 - 30
Buildings and improvements	10 - 40
Equipment	5 - 15
Infrastructure	20 - 50
Sewer plant	5 - 35

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Fund financial statements -

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

NOTES TO FINANCIAL STATEMENTS

Interest on debt issued to finance construction of the wastewater treatment plant has been capitalized as a part of the cost of such projects. Fixed assets of the Sewerage Fund include capitalized interest totaling \$3,379,805.

Compensated absences:

Employees of the City earn annual leave in amounts ranging from eight hours per month to 16 hours per month, depending upon length of service. At the end of each year, employees may carry forward annual leave earned but not taken with the maximum allowable carryover of unused annual leave being equal to five days. Unused annual leave in excess of what can be carried forward is credited to the employee's sick leave balance. Unused annual leave is paid to an employee upon retirement or resignation at hourly rates being earned by that employee upon separation.

Effective April 1, 1997, sick leave is credited to all classified employees at the rate of 12 hours per month. All unused sick leave is carried forward from year to year. Employees separated due to retirement or death are paid for all accumulated sick leave earned between January 1, 1991 and December 31, 1994 at the hourly rates being earned by the employee at that time.

Compensatory leave is earned at a rate of one and one-half hours for each hour of overtime worked. The maximum accumulation of compensatory leave is 120 hours. It may be carried forward from year to year. Upon termination, unused compensatory leave is paid up to 120 hours.

Police and firemen earn vacation and sick leave in accordance with state law. Policemen have the option of accumulating compensatory leave or receiving payment for any overtime hours worked. Firemen are paid for any overtime hours worked.

In the government-wide and proprietary fund statements, the City accrues accumulated unpaid sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. In accordance with GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements," no compensated absences liability is recorded in the governmental fund financial statements.

Long-term debt:

The accounting treatment of long-term debt depends on whether the debt relates to governmental or proprietary fund obligations and whether it is reported in the government-wide or fund financial statements.

NOTES TO FINANCIAL STATEMENTS

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of bonds payable, certificates of indebtedness, notes payable, claims payable, and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. Long-term debt in proprietary fund operations is accounted for the same in the fund financial statements as it is in the government-wide statements.

Equity classifications:

Government-wide statements -

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, certificates of indebtedness, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The government-wide statement of net assets reports \$15,236,365 of restricted net assets of which \$14,970,941 is restricted by enabling legislation.

Fund financial statements -

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

NOTES TO FINANCIAL STATEMENTS

Interfund transfers:

Permanent reallocation of resources between funds of the primary government are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds and individual proprietary funds have been eliminated.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Impairments:

A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. The City is required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. The City recorded no impairment losses during the year ended October 31, 2007.

NOTES TO FINANCIAL STATEMENTS

Note 2. Interfund Balances

Interfund balances at October 31, 2007 consist of the following:

	Due From:						Pension Trust Funds	Total
	General	Sales Tax	2006 Street Programs	Debt Service	Other Governmental Funds	Sewerage		
Due to:								
General	\$ -	\$ -	\$ 54,644	\$ -	\$ 1,044,936	\$ -	\$ -	\$1,099,580
Sales Tax	223,928	-	48,829	97,984	-	-	7,498	378,239
Debt Service	-	-	10,282	-	-	-	-	10,282
Other Governmental Funds	18,651	977,311	18,731	3,222	-	82,199	-	1,100,114
Sewerage	-	82,802	-	85,469	292,775	-	-	461,046
Pension Trust Funds	-	-	-	28,098	-	-	-	28,098
Total	\$242,579	\$1,060,113	\$132,486	\$ 214,773	\$ 1,337,711	\$ 82,199	\$ 7,498	\$3,077,359

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTES TO FINANCIAL STATEMENTS

Note 3. Due From Other Governmental Agencies

Amounts due from other governmental agencies consist of the following at October 31, 2007:

Fund financial statements:

Governmental Funds -

Iberia Parish School Board:

Sales and use taxes collected but not remitted \$ 483,221

State of Louisiana:

Federal pass-through grant funds 18,195

State grant funds 7,880

State shared revenue 14,766

\$ 524,062

Proprietary Funds -

Iberia Parish Government:

Reimbursement for joint operations \$ 115,294

State of Louisiana:

State grant funds 115,548

\$ 230,842

Government-wide financial statements:

Total amount reported in -

Governmental Funds, from above \$ 524,062

Proprietary Funds, from above 230,842

Additional sales and use taxes due from

Iberia Parish School Board 1,157,483

\$1,912,387

NOTES TO FINANCIAL STATEMENTS

Note 4. Capital Assets and Depreciation

Capital asset activity for the year ended October 31, 2007 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated -				
Land	\$ 1,264,295	\$ -	\$ -	\$ 1,264,295
Construction in process	<u>890,332</u>	<u>3,936,526</u>	<u>(436,380)</u>	<u>4,390,478</u>
Total capital assets not being depreciated	<u>\$ 2,154,627</u>	<u>\$ 3,936,526</u>	<u>\$ (436,380)</u>	<u>\$ 5,654,773</u>
Capital assets being depreciated -				
Land improvements	\$ 800,213	\$ 275,950	\$ -	\$ 1,076,163
Buildings and improvements	5,728,844	353,623	-	6,082,467
Equipment	6,177,808	715,190	(18,110)	6,874,888
Infrastructure	<u>60,966,272</u>	<u>-</u>	<u>-</u>	<u>60,966,272</u>
Total capital assets being depreciated	<u>\$ 73,673,137</u>	<u>\$ 1,344,763</u>	<u>\$ (18,110)</u>	<u>\$ 74,999,790</u>
Less accumulated depreciation for:				
Land improvements	\$ (439,124)	\$ (22,546)	\$ -	\$ (461,670)
Buildings and improvements	(2,423,198)	(178,444)	-	(2,601,642)
Equipment	(4,371,260)	(485,980)	14,927	(4,842,313)
Infrastructure	<u>(36,864,625)</u>	<u>(1,631,757)</u>	<u>-</u>	<u>(38,496,382)</u>
Total accumulated depreciation	<u>\$ (44,098,207)</u>	<u>\$ (2,318,727)</u>	<u>\$ 14,927</u>	<u>\$ (46,402,007)</u>
Total capital assets being depreciated, net	<u>\$ 29,574,930</u>	<u>\$ (973,964)</u>	<u>\$ (3,183)</u>	<u>\$ 28,597,783</u>
Governmental activities capital assets, net	<u>\$ 31,729,557</u>	<u>\$ 2,962,562</u>	<u>\$ (439,563)</u>	<u>\$ 34,252,556</u>

(continued)

NOTES TO FINANCIAL STATEMENTS

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated -				
Land	\$ 1,419,864	\$ -	\$ -	\$ 1,419,864
Construction in process	<u>33,085,301</u>	<u>227,817</u>	<u>(33,051,644)</u>	<u>261,474</u>
Total capital assets not being depreciated	<u>\$ 34,505,165</u>	<u>\$ 227,817</u>	<u>\$ (33,051,644)</u>	<u>\$ 1,681,338</u>
Capital assets being depreciated -				
Buildings and improvements	\$ 51,574	\$ -	\$ -	\$ 51,574
Equipment	1,698,258	42,217	(401,061)	1,339,414
Sewer plant	<u>19,714,919</u>	<u>33,051,644</u>	<u>-</u>	<u>52,766,563</u>
Total capital assets being depreciated	<u>\$ 21,464,751</u>	<u>\$33,093,861</u>	<u>\$ (401,061)</u>	<u>\$ 54,157,551</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ (27,851)	\$ (1,099)	\$ -	\$ (28,950)
Equipment	(1,285,504)	(95,593)	361,697	(1,019,400)
Sewer plant	<u>(6,070,535)</u>	<u>(1,684,196)</u>	<u>-</u>	<u>(7,754,731)</u>
Total accumulated depreciation	<u>\$ (7,383,890)</u>	<u>\$ (1,780,888)</u>	<u>\$ 361,697</u>	<u>\$ (8,803,081)</u>
Total capital assets being depreciated, net	<u>\$ 14,080,861</u>	<u>\$31,312,973</u>	<u>\$ (39,364)</u>	<u>\$ 45,354,470</u>
Business-type capital assets, net	<u>\$ 48,586,026</u>	<u>\$31,540,790</u>	<u>\$ (33,091,008)</u>	<u>\$ 47,035,808</u>

NOTES TO FINANCIAL STATEMENTS

Depreciation was charged to activities as follows:

Governmental activities:

General government	\$ 95,000
Public safety	351,031
Public works	131,416
Culture and recreation	108,070
Urban redevelopment and housing	458
Economic development and assistance	995
Infrastructure depreciation is unallocated	<u>1,631,757</u>
Total governmental activities depreciation expense	<u>\$2,318,727</u>

Business-type activities:

Wastewater	<u>\$1,780,888</u>
------------	--------------------

Note 5. Long-Term Debt

General Obligation Bonds/Public Improvement Bonds/Certificates of Indebtedness/Revenue Bonds

The City issues general obligation bonds, public improvement bonds and certificates of indebtedness to provide funds for the acquisition, construction or improvement of major capital facilities. These bonds are direct obligations and pledge the full faith and credit of the City.

The City also issues bonds which are payable from a specific revenue source, income derived from the City's proprietary fund. Proceeds were used for the construction of the wastewater treatment plant. These bonds, which are expected to be paid from sewer revenues, are reported in the proprietary fund.

NOTES TO FINANCIAL STATEMENTS

Long-term debt outstanding at October 31, 2007 is as follows:

	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>	<u>Amount Due in One Year</u>
Governmental activities:					
General obligation bonds -					
Payable from ad valorem					
taxes:					
General Obligation					
Refunding Bonds,					
Series 2001	2001	2012	4.35%	\$ 445,000	\$ 80,000
General Obligation					
Bonds, Series					
2002	2002	2024	4.20% - 5.20%	8,505,000	340,000
General Obligation					
Bonds, Series					
2003	2003	2025	3.80% - 4.80%	<u>4,500,000</u>	<u>155,000</u>
				<u>\$13,450,000</u>	<u>\$ 575,000</u>
Payable from sales					
taxes:					
Public Improvement					
Bonds					
1995	1995	2016	2.95%	\$ 2,710,000	\$ 265,000
Public Improvement					
Bonds					
1997	1997	2016	2.95%	1,080,000	110,000
Public Improvement					
Bonds					
1999	1999	2020	3.95%	<u>2,200,000</u>	<u>130,000</u>
				<u>\$ 5,990,000</u>	<u>\$ 505,000</u>
Certificates of					
indebtedness -					
Refunding					
certificates					
2000	2000	2009	1.10% - 2.40%	\$ 170,000	\$ 85,000
Street					
certificates					
2005	2005	2020	4.10%	2,755,000	155,000
Paving					
certificates					
2007	2007	2017	4.375%	585,000	58,500
Sewerage					
certificates					
2007	2007	2017	4.40%	<u>81,000</u>	<u>8,100</u>
				<u>\$ 3,591,000</u>	<u>\$ 306,600</u>
Notes payable -					
Firefighters'					
retirement system					
1988	1988	2011	7.00%	\$ 563,252	\$ 126,860
Firefighters'					
retirement system					
1994	1994	2013	7.00%	<u>525,998</u>	<u>73,533</u>
				<u>\$ 1,089,250</u>	<u>\$ 200,393</u>

(continued)

NOTES TO FINANCIAL STATEMENTS

	Issue Date	Final Maturity Date	Interest Rates	Balance Outstanding	Amount Due in One Year
DEQ revolving loan fund advances (See Note 16)				\$ 3,338,071	\$ -0-
Other liabilities -					
Accrued compensated absences				\$ 520,976	\$ 55,109
Claims payable				59,912	13,867
Total other liabilities				\$ 580,888	\$ 68,976
Total governmental activity debt				<u>\$28,039,209</u>	<u>\$1,655,969</u>
Business-type activities:					
Sewer Revenue Bonds, Series 2004	2004	2026	3.43% - 3.95%	\$ 9,660,000	\$ 350,000
Other liabilities -					
Accrued compensated absences				112,551	9,085
Total business-type activity debt				<u>\$ 9,772,551</u>	<u>\$ 359,085</u>

The annual debt service requirements to maturity of all bonds and certificates outstanding at October 31, 2007 follows:

	General Obligation Bonds			Public Improvement Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2008	\$ 575,000	\$ 596,940	\$ 1,171,940	\$ 505,000	\$ 190,606	\$ 695,606
2009	605,000	567,601	1,172,601	525,000	174,064	699,064
2010	635,000	537,026	1,172,026	540,000	156,930	696,930
2011	665,000	505,504	1,170,504	560,000	139,230	699,230
2012	700,000	475,123	1,175,123	575,000	120,964	695,964
2013 - 2017	3,440,000	1,954,186	5,394,186	2,675,000	317,836	2,992,836
2018 - 2022	4,380,000	1,087,385	5,467,385	610,000	36,735	646,735
2023 - 2026	<u>2,450,000</u>	<u>140,048</u>	<u>2,590,048</u>	-	-	-
	<u>\$13,450,000</u>	<u>\$ 5,863,813</u>	<u>\$19,313,813</u>	<u>\$ 5,990,000</u>	<u>\$ 1,136,365</u>	<u>\$ 7,126,365</u>

NOTES TO FINANCIAL STATEMENTS

	Certificates of Indebtedness			Notes Payable		
	Principal	Interest	Total	Principal	Interest	Total
2008	\$ 306,600	\$ 146,065	\$ 452,665	\$ 200,393	\$ 76,248	\$ 276,641
2009	316,600	134,882	451,482	214,420	62,220	276,640
2010	236,600	123,161	359,761	229,430	47,211	276,641
2011	246,600	113,275	359,875	245,491	31,150	276,641
2012	256,600	102,980	359,580	96,386	13,966	110,352
2013 - 2017	1,433,000	346,112	1,779,112	103,130	7,222	110,352
2018 - 2022	795,000	66,420	861,420	-	-	-
2023 - 2026	-	-	-	-	-	-
	<u>\$ 3,591,000</u>	<u>\$ 1,032,895</u>	<u>\$ 4,623,895</u>	<u>\$ 1,089,250</u>	<u>\$ 238,017</u>	<u>\$ 1,327,267</u>

	Revenue Bonds			Total		
	Principal	Interest	Total	Principal	Interest	Total
2008	\$ 350,000	\$ 339,301	\$ 689,301	\$ 1,936,993	\$ 1,349,160	\$ 3,286,153
2009	365,000	347,612	712,612	2,026,020	1,286,379	3,312,399
2010	380,000	343,139	723,139	2,021,030	1,207,467	3,228,497
2011	395,000	330,516	725,516	2,112,091	1,119,675	3,231,766
2012	410,000	314,617	724,617	2,037,986	1,027,650	3,065,636
2013 - 2017	2,305,000	1,311,894	3,616,894	9,956,130	3,937,250	13,893,380
2018 - 2022	2,795,000	810,244	3,605,244	8,580,000	2,000,784	10,580,784
2023 - 2026	2,660,000	215,472	2,875,472	5,110,000	355,520	5,465,520
	<u>\$ 9,660,000</u>	<u>\$ 4,012,795</u>	<u>\$13,672,795</u>	<u>\$33,780,250</u>	<u>\$12,283,885</u>	<u>\$46,064,135</u>

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended October 31, 2007:

	Balance, 11/01/06	Additions	Reductions	Balance, 10/31/07
Governmental activities:				
General obligation bonds	\$13,995,000	\$ -	\$ (545,000)	\$13,450,000
Public improvement bonds	6,480,000	-	(490,000)	5,990,000
Certificates of indebtedness	3,150,000	666,000	(225,000)	3,591,000
Notes payable	1,276,533	-	(187,283)	1,089,250
Accrued compensated absences	517,431	3,545	-	520,976
Claims payable	72,464	-	(12,552)	59,912
DEQ revolving loan fund advance	2,228,746	1,243,325	(134,000)	3,338,071
	<u>\$27,720,174</u>	<u>\$ 1,912,870</u>	<u>\$ (1,593,835)</u>	<u>\$28,039,209</u>

NOTES TO FINANCIAL STATEMENTS

	Balance, 11/01/06	Additions	Reductions	Balance, 10/31/07
Business-type activities:				
Accrued compensated				
absences	\$ 94,237	\$ 18,314	\$ -	\$ 112,551
Revenue bonds	8,682,793	1,317,207	(340,000)	9,660,000
	<u>\$ 8,777,030</u>	<u>\$ 1,335,521</u>	<u>\$ (340,000)</u>	<u>\$ 9,772,551</u>

Total interest costs incurred and charged to expense during the year ended October 31, 2007 was \$1,464,686. Of this amount, \$1,149,298 was recognized in the governmental fund financial statements while \$315,388 was recognized in the proprietary fund financial statements.

Compensated absences and claims liabilities typically have been liquidated by the General Fund and a few other governmental funds.

Note 6. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to cover any claims related to these risks.

However, the City is self-insured for worker's compensation claims that were incurred prior to November 1, 1999.

The City accounts for and reports risk management activities in the General Fund within the constraints of the modified accrual basis of accounting.

Claims expenditures/expenses and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Claims paid are recorded as expenditures/expenses against the General Fund insurance appropriation. Claims paid amounted to \$12,552 for the fiscal year. Long-term obligations that are not expected to be liquidated with expendable available resources are not reported in the fund financial statements. Such amounts, if any, are reported in the government-wide statements in accordance with the accrual basis of accounting.

NOTES TO FINANCIAL STATEMENTS

At October 31, 2007, the amount of the worker's compensation benefits liability was \$59,912. This liability is the City's best estimate based on available information. Changes in the unpaid claims liability amount are as follows:

	<u>2007</u>	<u>2006</u>
Unpaid claims, beginning	\$ 72,464	\$ 84,739
Claims paid	<u>(12,552)</u>	<u>(12,275)</u>
Unpaid claims, ending	<u>\$ 59,912</u>	<u>\$ 72,464</u>

Note 7. Designations of Fund Balance

Individual designations of the fund balances at October 31, 2007 in the fund financial statements are as follows:

	<u>General</u>	<u>Sales Tax</u>	<u>HOME Mortgage Bond</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Designated for:					
DEQ loan payments	\$1,640,000	\$1,296,412	\$ -	\$ -	\$2,936,412
Capital improve- ments	<u>-</u>	<u>-</u>	<u>137,857</u>	<u>2,401,002</u>	<u>2,538,859</u>
	<u>\$1,640,000</u>	<u>\$1,296,412</u>	<u>\$137,857</u>	<u>\$ 2,401,002</u>	<u>\$5,475,271</u>

Note 8. Ad Valorem Taxes

Government-wide financial statements -

Property taxes are recognized in the year for which they are levied, net of uncollectible amounts, as applicable.

Fund financial statements -

Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. During the current fiscal year, taxes were levied by the City in August and were billed to the taxpayers in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

Taxes are budgeted and the revenue recognized in the year billed.

The taxes are based on assessed values determined by the Tax Assessor of Iberia Parish and are collected by the City.

NOTES TO FINANCIAL STATEMENTS

For the year ended October 31, 2007, taxes were levied on property with assessed valuations totaling \$150,506,961 and were dedicated as follows:

General corporate purposes	6.90 mills
Parks and recreation	2.96 mills
Streets and bridges	3.45 mills
Debt service	10.43 mills

Total taxes levied during 2007, exclusive of homestead exemptions, were \$3,573,035. Taxes receivable at October 31, 2007 totaled \$13,006, all of which is considered uncollectible.

Note 9. Sales and Use Taxes

The City is authorized by voters of the City to levy and collect two percent (2.00%) sales and use tax within the City. The City has an intergovernmental agreement with the Iberia Parish School Board for the collection of sales taxes. The sales tax ordinances dedicate the proceeds for the following purposes:

<u>Rate</u>	<u>Dedication</u>
1.00%	Support and maintenance of the police and fire departments, the construction and improvement of streets, bridges or sewerage and for any work of permanent public improvement, including the cost of construction and improving sewers and sewage disposal works, in the City.
0.25%	Operating, maintaining and improving the City's garbage and waste collection and disposal facilities and purchasing and acquiring the land and equipment necessary in connection with the operation of said facilities. This tax is in lieu of a monthly charge for residential garbage and waste collection and disposal.
0.25%	Supplement the cost of salaries of City employees, including employee benefits.

NOTES TO FINANCIAL STATEMENTS

Note 9. Sales and Use Taxes (Continued)

<u>Rate</u>	<u>Dedication</u>
0.25%	Supplement other sales tax revenues of the City to pay the cost of solid waste collection and disposal, including the cost of recycling. Ninety-five percent of the remaining proceeds is to be expended for the purpose of increasing the salaries of City employees.
0.25%	Supplement the cost of salary and benefit increases for firemen.

NOTES TO FINANCIAL STATEMENTS

Note 10. Interfund Transfers

Interfund transfers for the year ended October 31, 2007 consist of the following:

	Transfers In:					Pension Trust Funds	Total
	General	2006 Street Programs	Debt Service	Other Governmental Funds	Sewerage		
Transfers out:							
General	\$ -	\$ 392,000	\$ 85,356	\$ 2,005,094	\$ 198,000	\$ -	\$ 2,680,450
Sales Tax	6,660,572	762,084	263,900	997,891	308,162	48,806	9,041,415
Garbage	300,036	-	-	-	-	-	300,036
Other Governmental Funds	-	-	-	275,004	-	-	275,004
Sewerage	-	-	696,557	82,199	-	-	778,756
Pension Trust Funds	-	-	276,636	-	-	-	276,636
	<u>\$6,960,608</u>	<u>\$1,154,084</u>	<u>\$1,322,449</u>	<u>\$ 3,360,188</u>	<u>\$ 506,162</u>	<u>\$48,806</u>	<u>\$13,352,297</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund required, and (3) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTES TO FINANCIAL STATEMENTS

Note 11. Employee Retirement Systems

The City has several pension plans covering substantially all of its employees, as follows:

- Municipal Employees' Retirement System of Louisiana
- State of Louisiana - Municipal Police Employees' Retirement System
- State of Louisiana - Firefighters' Retirement System

Substantially all employees are covered under the Municipal Employees' Retirement System of Louisiana except for firemen and policemen which are covered under the Firefighters' Retirement System and Municipal Police Employees' Retirement System, respectively. Pertinent information relative to each plan follows:

Municipal Employees' Retirement System of Louisiana:

Plan description:

The Municipal Employees' Retirement System of Louisiana (the "System") is a cost-sharing multiple-employer public employee retirement system as established and provided for by R.S. 11:1731 of the Louisiana Revised Statutes (LRS). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the City are members of Plan A.

Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least 35 hours per week, not participating in another public funded retirement system and under age 60 at date of employment. Those individuals paid jointly by a participating employer and the parish are not eligible for membership in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to three percent of their final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

The Municipal Employees' Retirement System of Louisiana issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809.

NOTES TO FINANCIAL STATEMENTS

Funding policy:

Plan members are required to contribute 9.25% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The rate was 16.25% until July 1, 2007, at which time it decreased to 13.50%. The contribution requirements of plan members and the City are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the years ended October 31, 2007, 2006 and 2005 were \$484,578, \$445,016 and \$454,514, respectively, which equal the required contributions for each year.

State of Louisiana - Municipal Police Employees' Retirement System:

Plan description:

The Municipal Police Employees' Retirement System (the "System") is a cost-sharing multiple-employer public employee retirement system.

Membership is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrest, providing they do not have to pay social security and providing they meet the statutory criteria. Employees who retire at or after age 50 with at least 20 years of credited service or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3-1/3 percent of their average final compensation. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produces the highest average. The System also provides disability and survivor benefits. Benefits are established by state statute.

The Municipal Police Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Police Employees' Retirement System, 8401 United Plaza Boulevard, Suite 270, Baton Rouge, Louisiana 70809-7017.

Funding policy:

Plan members are required to contribute 7.50% of their annual covered salary and the City is required to contribute at a rate established by state statute. The current year rate is 13.75%. The City's contributions to the System for the years ending October 31, 2007, 2006 and 2005 were \$1,809, \$19,268 and \$66,250, respectively, which equal the required contributions for each year.

NOTES TO FINANCIAL STATEMENTS

State of Louisiana - Firefighters' Retirement System:

Plan description:

The Firefighters' Retirement System (the "System") is a cost-sharing multiple-employer public employee retirement system, as established and provided for by R.S. 11:2251 through 2269 of the Louisiana Revised Statutes.

Membership is mandatory as a condition of employment beginning on date employed if the employee is on a permanent basis as a firefighter, not participating in another public funded retirement system and under age 50 at date of employment. Employees who retire at or after age 50 with at least 20 years of credited service, or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3-1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produces the highest average. The System also provides disability and survivor benefits. Benefits are established by state statute.

The Firefighters' Retirement System issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Firefighters' Retirement System, P.O. Box 94095 Capitol Station, Baton Rouge, Louisiana 70804-9095.

Funding policy:

Plan members are required to contribute 8.00% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The rate was 15.50% until July 1, 2007 at which time it decreased to 13.75%. The contribution requirements of Plan members are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the years ending October 31, 2007, 2006 and 2005 were \$338,158, \$399,887 and \$479,639, respectively, which equal the required contributions for each year.

Note 12. Contingent Liabilities

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representative. The City's management believes that any liability for reimbursement which may arise as the result of these audits would not be material to the financial statements.

NOTES TO FINANCIAL STATEMENTS

The City is a defendant in various lawsuits. According to legal counsel for the City, there is adequate insurance on all cases where monetary damages are sought, and in those cases where there is an excess liability question or no coverage, the City would be adequately protected by the sovereign immunity clause of the Louisiana Constitution.

Note 13. Sewerage Fund

Public Improvement and General Obligation Bonds were issued to construct and/or improve the sewer system. These bonds are payable from sales and ad valorem taxes. The total outstanding at October 31, 2007 of \$18,995,000 is reflected as a liability of the governmental activities because they are general obligation bonds as opposed to sewer revenue bonds. If these were sewer revenue bonds, the liability would be reflected as a liability of the business-type activities. In addition, the assets constructed with these bond proceeds are properly reflected in the Sewerage Fund with an equal amount recorded as capital contributions.

The debt payments for the year ended October 31, 2007 related to these bonds were \$1,770,369. This amount consists of principal payments of \$960,000 and interest payments of \$810,369. These payments are reflected in the Debt Service Fund.

For the year ended October 31, 2007, the City received \$1,243,325 in loan proceeds and expended \$665,979 on capital projects. This activity is reflected in the Construction capital projects fund.

All operating revenues and expenses related to the Sewerage Fund are properly reflected in that fund.

Note 14. DEQ Revolving Loan Fund Advance

During a prior fiscal year, the Board of Trustees approved a resolution to issue \$4,000,000 of General Obligation Bonds, Series 2005, to the Louisiana Department of Environmental Quality (DEQ). The City has entered into a loan and pledge agreement with DEQ which allows the City to make draws of the \$4,000,000 commitment as construction funds are expended for wastewater plant construction. During the interim loan period, interest is payable semi-annually at an effective interest rate of 3.95%. Advances on the interim loan through October 31, 2007 were \$3,472,071.

Upon the earlier of the completion of the project or aggregate interim loan draws equal the bond commitment, the permanent loan period will commence. Since the actual repayments are not determined until the permanent loan amount is established, future payments of annual principal maturities and semi-annual interest installments are not final and are not included in the maturity schedules of the General Obligation bonds.

This page intentionally left blank.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended October 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	\$ 1,070,000	\$ 1,070,000	\$ 1,116,359	\$ 46,359
Sales and use	1,774,834	1,774,834	1,908,991	134,157
Franchise	1,518,000	1,518,000	2,055,839	537,839
Licenses and permits -				
Occupational and liquor licenses	1,230,000	1,230,000	1,395,710	165,710
Fees and permits	217,980	217,980	369,574	151,594
Intergovernmental -				
Federal grants	20,200	20,200	30,875	10,675
State grants	105,000	836,150	175,559	(660,591)
State shared revenues:				
Beer taxes	52,000	52,000	99,942	47,942
Horse race track fees	110,000	110,000	150,144	40,144
Charges for services	57,400	57,400	44,430	(12,970)
Fines and forfeitures	89,800	89,800	165,094	75,294
Investment income	263,500	263,500	446,702	183,202
Miscellaneous	33,525	46,865	102,272	55,407
Total revenues	<u>\$ 6,542,239</u>	<u>\$ 7,286,729</u>	<u>\$ 8,061,491</u>	<u>\$ 774,762</u>
Expenditures:				
Current -				
General government:				
Personnel costs	\$ 957,412	\$ 962,544	\$ 936,949	\$ 25,595
Auto allowance	33,600	33,600	33,600	-
Computer programming	23,300	18,796	18,139	657
Coroner's fees	12,000	12,000	3,156	8,844
Professional fees	77,000	77,000	83,759	(6,759)
Equipment rental	16,900	16,900	17,852	(952)
Materials and supplies	10,350	9,850	6,429	3,421
Repairs and maintenance	105,000	133,100	112,940	20,160
Telephone and utilities	136,460	136,460	139,957	(3,497)
Election costs	25,000	25,000	1,193	23,807
Insurance	290,100	307,100	340,462	(33,362)
Office supplies	37,350	37,350	35,937	1,413
Travel and training	21,300	21,300	16,644	4,656
Court witness fees	35,000	35,000	25,800	9,200
Clerk of Court fees	12,400	12,400	13,093	(693)
Contract services	131,000	138,265	154,842	(16,577)

(continued)

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
For the Year Ended October 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures (continued):				
Current -				
General government:				
Nonprofit allocations -				
Veteran allotment	1,428	1,428	1,428	-
Council on Aging	10,000	10,000	10,000	-
SMILE	5,000	5,000	5,000	-
Iberia Industrial Development	5,000	5,000	5,000	-
St. Francis Diner	5,000	5,000	5,000	-
Boys and Girls Club	5,000	5,000	5,000	-
PEPPIE	1,000	1,000	1,000	-
Iberia Humane Society	1,000	1,000	1,000	-
Social Service Center	1,000	1,000	1,000	-
Keep New Iberia Beautiful	500	500	500	-
Miscellaneous	71,250	128,890	69,696	59,194
Total general government	\$ 2,030,350	\$ 2,140,483	\$ 2,045,376	\$ 95,107
Public safety:				
Personnel costs	\$ 3,738,765	\$ 3,738,765	\$ 3,613,369	\$ 125,396
Computer programming	7,000	6,998	4,550	2,448
Professional fees	16,500	19,525	39,430	(19,905)
Materials and supplies	44,950	44,950	44,552	398
Repairs and maintenance	46,650	46,650	34,337	12,313
Telephone and utilities	63,650	63,698	62,520	1,178
Insurance	103,850	114,893	81,026	33,867
Office supplies	12,300	11,800	10,643	1,157
Travel and training	26,350	24,150	19,740	4,410
Jail costs	245,000	305,000	297,963	7,037
Security services	30,275	30,275	31,658	(1,383)
External appropriations	26,200	26,200	31,537	(5,337)
Contract services	3,180,089	3,180,089	3,181,848	(1,759)
Miscellaneous	65,225	78,865	49,797	29,068
Total public safety	\$ 7,606,804	\$ 7,691,858	\$ 7,502,970	\$ 188,888

(continued)

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
For the Year Ended October 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Public works:				
Professional fees	\$ 4,000	\$ 4,000	\$ 740	\$ 3,260
Culture and recreation:				
Professional fees	\$ 500	\$ 500	\$ -	\$ 500
Repairs and maintenance	10,240	10,240	8,523	1,717
Telephone and utilities	9,700	9,700	12,729	(3,029)
Insurance	4,815	4,815	4,815	-
Programs -				
Main to main	95,000	144,900	137,504	7,396
Other	15,000	15,000	16,180	(1,180)
Materials and supplies	300	300	216	84
Miscellaneous	3,364	3,364	3,269	95
Total culture and recreation	\$ 138,919	\$ 188,819	\$ 183,236	\$ 5,583
Capital outlay	\$ 394,154	\$ 1,055,266	\$ 355,463	\$ 699,803
Total expenditures	\$10,174,227	\$11,080,426	\$10,087,785	\$ 992,641
Deficiency of revenues over expenditures	\$ (3,631,988)	\$ (3,793,697)	\$ (2,026,294)	\$ 1,767,403
Other financing sources (uses):				
Transfers in	\$ 7,049,821	\$ 7,126,689	\$ 6,960,608	\$ (166,081)
Transfers out	(3,289,688)	(3,722,287)	(2,680,450)	1,041,837
Sale of capital assets	-	-	2,665	2,665
Total other financing sources (uses)	\$ 3,760,133	\$ 3,404,402	\$ 4,282,823	\$ 878,421
Net change in fund balance	\$ 128,145	\$ (389,295)	\$ 2,256,529	\$ 2,645,824
Fund balance, beginning	8,086,789	8,086,789	8,544,355	457,566
Fund balance, ending	\$ 8,214,934	\$ 7,697,494	\$10,800,884	\$ 3,103,390

See Notes to Budgetary Comparison Schedules.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
SALES TAX FUND
For the Year Ended October 31, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use	\$ 8,874,170	\$ 8,874,170	\$ 9,544,955	\$ 670,785
Investment income	<u>103,156</u>	<u>103,156</u>	<u>452,604</u>	<u>349,448</u>
Total revenues	\$ 8,977,326	\$ 8,977,326	\$ 9,997,559	\$ 1,020,233
Expenditures:				
Current -				
General government	<u>71,401</u>	<u>71,401</u>	<u>79,716</u>	<u>(8,315)</u>
Excess of revenues over expenditures	\$ 8,905,925	\$ 8,905,925	\$ 9,917,843	\$ 1,011,918
Other financing uses:				
Transfers out	<u>(7,942,397)</u>	<u>(8,199,265)</u>	<u>(9,041,415)</u>	<u>(842,150)</u>
Net change in fund balance	\$ 963,528	\$ 706,660	\$ 876,428	\$ 169,768
Fund balance, beginning	<u>7,524,998</u>	<u>7,524,998</u>	<u>8,176,637</u>	<u>651,639</u>
Fund balance, ending	<u>\$ 8,488,526</u>	<u>\$ 8,231,658</u>	<u>\$ 9,053,065</u>	<u>\$ 821,407</u>

See Notes to Budgetary Comparison Schedules.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
GARBAGE FUND
For the Year Ended October 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use	\$ 3,549,668	\$ 3,549,668	\$ 3,817,982	\$ 268,314
Investment income	23,000	23,000	61,757	38,757
Miscellaneous	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Total revenues	<u>\$ 3,617,668</u>	<u>\$ 3,617,668</u>	<u>\$ 3,924,739</u>	<u>\$ 307,071</u>
Expenditures:				
Current -				
General government	\$ 25,000	\$ 25,000	\$ 31,887	\$ (6,887)
Public works	<u>2,723,000</u>	<u>2,746,342</u>	<u>2,739,880</u>	<u>6,462</u>
Total expenditures	<u>\$ 2,748,000</u>	<u>\$ 2,771,342</u>	<u>\$ 2,771,767</u>	<u>\$ (425)</u>
Excess of revenues over expenditures	\$ 869,668	\$ 846,326	\$ 1,152,972	\$ 306,646
Other financing uses:				
Transfers out	<u>(300,033)</u>	<u>(300,033)</u>	<u>(300,036)</u>	<u>(3)</u>
Net change in fund balance	\$ 569,635	\$ 546,293	\$ 852,936	\$ 306,643
Fund balance, beginning	<u>990,712</u>	<u>990,712</u>	<u>1,158,261</u>	<u>167,549</u>
Fund balance, ending	<u>\$ 1,560,347</u>	<u>\$ 1,537,005</u>	<u>\$ 2,011,197</u>	<u>\$ 474,192</u>

See Notes to Budgetary Comparison Schedules.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE
DISASTER RELIEF FUND
For the Year Ended October 31, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	\$ 12,000	\$ 12,000	\$ 64,608	\$ 52,608
Net change in fund balance	\$ 12,000	\$ 12,000	\$ 64,608	\$ 52,608
Fund balance, beginning	<u>907,088</u>	<u>907,088</u>	<u>471,811</u>	<u>(435,277)</u>
Fund balance, ending	<u>\$ 919,088</u>	<u>\$ 919,088</u>	<u>\$ 536,419</u>	<u>\$ (382,669)</u>

See Notes to Budgetary Comparison Schedules.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

NOTES TO BUDGETARY COMPARISON SCHEDULES

Note 1. Budgets and Budgetary Accounting

City of New Iberia follows the procedures detailed below in adopting its budget.

1. At least 60 days prior to the beginning of each fiscal year, the Mayor is required to submit to the Board of Trustees a proposed budget in the form required by the Charter.
2. A public hearing is required to be conducted to obtain taxpayer comments and notice thereof is published in the official journal at least 10 days prior to such hearing. The notification is to include the time and place of the public hearing in addition to a general summary of the proposed budget.
3. Final adoption of the budget is required to be not later than October 31 of the fiscal year for the ensuing fiscal year.
4. Formal budgetary integration is employed as a management control device during the year for all funds. No payment can be made or obligated against any appropriation unless the Mayor or her designee first certifies that sufficient unencumbered funds are or will be available to meet the obligation when it becomes due and payable. In practice, this has generally been interpreted (due to the flexibility for intra departmental transfer of line item appropriations) to mean control at the departmental/fund level.
5. Those budgets which the City adopts are on a basis consistent with generally accepted accounting principles as applied to governmental units.
6. All appropriations, except for capital outlays, lapse at the close of the fiscal year to the extent that they have not been expended or encumbered. Appropriations for capital outlays lapse after completion of the project.

All budgeted amounts presented reflect the original budget and the final budget (which have been adjusted for legally authorized revisions during the year).

NOTES TO BUDGETARY COMPARISON SCHEDULES

Note 2. Excess of Expenditures Over Appropriations

The following individual funds had actual expenditures in excess of budgeted expenditures for the year ended October 31, 2007:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Negative Variance</u>
Sales Tax Fund	<u>\$ 71,401</u>	<u>\$ 71,401</u>	<u>\$ 79,716</u>	<u>\$ (8,315)</u>
Garbage Fund	<u>\$ 2,748,000</u>	<u>\$ 2,771,342</u>	<u>\$ 2,771,767</u>	<u>\$ (425)</u>

This page intentionally left blank.

OTHER SUPPLEMENTARY INFORMATION

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
October 31, 2007

ASSETS	Special Revenue			Debt Service
	Parks and Recreation	Public Works	Section 8 Housing Voucher Program	Spanish Towne Sewer Assessment
Cash	\$ 2,092	\$ 250,450	\$ 303,507	\$ -
Certificates of deposit	-	-	-	-
Accounts receivable	-	-	234	-
Special assessments receivable	-	-	-	107,730
Due from other funds	478,365	498,945	3,096	-
Due from other governmental agencies	-	-	-	-
Total assets	<u>\$ 480,457</u>	<u>\$ 749,395</u>	<u>\$ 306,837</u>	<u>\$ 107,730</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash overdraft	\$ 61,658	\$ -	\$ -	\$ -
Accounts payable	23,436	74,628	740	-
Retainage payable	-	-	-	-
Accrued expenses	13,827	11,367	1,385	-
Deferred revenue	-	-	-	107,730
Other liabilities	-	-	39,288	-
Due to other funds	<u>381,536</u>	<u>663,400</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ 480,457</u>	<u>\$ 749,395</u>	<u>\$ 41,413</u>	<u>\$ 107,730</u>
Fund balances:				
Reserved for -				
Construction	\$ -	\$ -	\$ -	\$ -
Unreserved -				
Designated for capital projects	-	-	-	-
Undesignated	<u>-</u>	<u>-</u>	<u>265,424</u>	<u>-</u>
Total fund balances	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 265,424</u>	<u>\$ -0-</u>
Total liabilities and fund balances	<u>\$ 480,457</u>	<u>\$ 749,395</u>	<u>\$ 306,837</u>	<u>\$ 107,730</u>

Capital Projects						
Construction	1983 Bond Issue			CDBG	Spanish Towne Sewerage	
	1000M Sewerage	500M Drainage	500M Street			
\$ 920,796	\$ -	\$2,077,151	\$ 342	\$ -	\$ 11,120	
871,639	292,296	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	37,509	-	82,199	-	
-	-	-	-	8,025	-	
<u>\$ 1,792,435</u>	<u>\$ 292,296</u>	<u>\$2,114,660</u>	<u>\$ 342</u>	<u>\$ 90,224</u>	<u>\$ 11,120</u>	C
						O
						N
\$ -	\$ 6,296	\$ -	\$ -	\$ 8,098	\$ -	T
200,947	-	-	-	82,126	-	
26,740	-	-	-	-	6,682	I
-	-	-	-	-	-	
-	-	-	-	-	-	N
-	-	-	-	-	-	
<u>292,775</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	U
<u>\$ 520,462</u>	<u>\$ 6,296</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 90,224</u>	<u>\$ 6,682</u>	E
						D
\$ 1,271,973	\$ -	\$ -	\$ -	\$ -	\$ 4,438	
-	286,000	2,114,660	342	-	-	
-	-	-	-	-	-	
<u>\$ 1,271,973</u>	<u>\$ 286,000</u>	<u>\$2,114,660</u>	<u>\$ 342</u>	<u>\$ -0-</u>	<u>\$ 4,438</u>	
<u>\$ 1,792,435</u>	<u>\$ 292,296</u>	<u>\$2,114,660</u>	<u>\$ 342</u>	<u>\$ 90,224</u>	<u>\$ 11,120</u>	

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
October 31, 2007

ASSETS	Spanish Towne Paving	Total
Cash	\$ 80,468	\$ 3,645,926
Certificates of deposit	-	1,163,935
Accounts receivable	-	234
Special assessments receivable	-	107,730
Due from other funds	-	1,100,114
Due from other governmental agencies	-	8,025
Total assets	<u>\$ 80,468</u>	<u>\$ 6,025,964</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Cash overdraft	\$ -	\$ 76,052
Accounts payable	-	381,877
Retainage payable	52,761	86,183
Accrued expenses	-	26,579
Deferred revenue	-	107,730
Other liabilities	-	39,288
Due to other funds	-	1,337,711
Total liabilities	<u>\$ 52,761</u>	<u>\$ 2,055,420</u>
Fund balances:		
Reserved for -		
Construction	\$ 27,707	\$ 1,304,118
Unreserved -		
Designated for capital projects	-	2,401,002
Undesignated	-	265,424
Total fund balances	<u>\$ 27,707</u>	<u>\$ 3,970,544</u>
Total liabilities and fund balances	<u>\$ 80,468</u>	<u>\$ 6,025,964</u>

This page intentionally left blank.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended October 31, 2007

	<u>Special Revenue</u>			<u>Debt Service</u>
	<u>Parks and Recreation</u>	<u>Public Works</u>	<u>Section 8 Housing Voucher Program</u>	<u>Spanish Towne Sewer Assessment</u>
Revenues:				
Taxes -				
Ad valorem	\$ 442,513	\$ 515,805	\$ -	\$ -
Intergovernmental -				
Federal grants	517	2,984	1,422,177	-
State grants	4,496	-	-	-
Other	7,001	-	-	-
Charges for services	322,771	29,724	-	-
Investment income	-	-	30,883	-
Miscellaneous	10,654	321	-	-
Total revenues	\$ 787,952	\$ 548,834	\$1,453,060	\$ -0-
Expenditures:				
Current -				
General government	\$ -	\$ -	\$ -	\$ -
Public works	-	2,439,621	-	-
Culture and recreation	1,789,592	-	-	-
Urban redevelopment and housing	-	-	1,190,256	-
Capital outlay	228,085	154,381	-	-
Total expenditures	\$ 2,017,677	\$ 2,594,002	\$1,190,256	\$ -0-
Excess (deficiency) of revenues over expenditures	\$ (1,229,725)	\$ (2,045,168)	\$ 262,804	\$ -0-
Other financing sources (uses):				
Transfers in	\$ 1,229,725	\$ 2,045,168	\$ 3,096	\$ -
Transfers out	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
Total other financing sources (uses)	\$ 1,229,725	\$ 2,045,168	\$ 3,096	\$ -0-
Net change in fund balances	\$ -0-	\$ -0-	\$ 265,900	\$ -0-
Fund balances, beginning	-	-	(476)	-
Fund balances, ending	\$ -0-	\$ -0-	\$ 265,424	\$ -0-

Capital Projects						
Construction	1983 Bond Issue			CDBG	Spanish Towne Sewerage	
	1000M Sewerage	500M Drainage	500M Street			
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	55,078	-	
-	-	-	-	-	-	
-	-	1,120,352	-	-	-	
-	-	-	-	-	-	
39,486	14,932	87,393	-	-	2,965	
<u>246</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	C
\$ 39,732	\$ 14,932	\$ 1,207,745	\$ -0-	\$ 55,078	\$ 2,965	O
						N
\$ 7,785	\$ -	\$ -	\$ -	\$ -	\$ 3,458	T
-	-	69,356	-	137,277	76,069	
-	-	-	-	-	-	I
-	-	-	-	-	-	N
<u>665,979</u>	<u>-</u>	<u>233,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	U
\$ 673,764	\$ -0-	\$ 303,056	\$ -0-	\$ 137,277	\$ 79,527	E
\$ (634,032)	\$ 14,932	\$ 904,689	\$ -0-	\$ (82,199)	\$ (76,562)	D
\$ -	\$ -	\$ -	\$ -	\$ 82,199	\$ -	
-	-	(275,004)	-	-	-	
<u>1,243,325</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,000</u>	
\$ 1,243,325	\$ -0-	\$ (275,004)	\$ -0-	\$ 82,199	\$ 81,000	
\$ 609,293	\$ 14,932	\$ 629,685	\$ -0-	\$ -0-	\$ 4,438	
<u>662,680</u>	<u>271,068</u>	<u>1,484,975</u>	<u>342</u>	<u>-</u>	<u>-</u>	
\$ 1,271,973	\$ 286,000	\$ 2,114,660	\$ 342	\$ -0-	\$ 4,438	

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended October 31, 2007

	Spanish Towne Paving	Total
Revenues:		
Taxes -		
Ad valorem	\$ -	\$ 958,318
Intergovernmental -		
Federal grants	-	1,480,756
State grants	-	4,496
Other	-	1,127,353
Charges for services	-	352,495
Investment income	22,175	197,834
Miscellaneous	-	11,221
Total revenues	\$ 22,175	\$ 4,132,473
Expenditures:		
Current -		
General government	\$ 10,652	\$ 21,895
Public works	568,816	3,291,139
Culture and recreation	-	1,789,592
Urban redevelopment and housing	-	1,190,256
Capital outlay	-	1,282,145
Total expenditures	\$ 579,468	\$ 7,575,027
Excess (deficiency) of revenues over expenditures	\$ (557,293)	\$ (3,442,554)
Other financing sources (uses):		
Transfers in	\$ -	\$ 3,360,188
Transfers out	-	(275,004)
Proceeds from issuance of debt	585,000	1,909,325
Total other financing sources (uses)	\$ 585,000	\$ 4,994,509
Net change in fund balances	\$ 27,707	\$ 1,551,955
Fund balances, beginning	-	2,418,589
Fund balances, ending	\$ 27,707	\$ 3,970,544

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

STATEMENT OF OPERATING EXPENSES
SEWERAGE FUND
For the Year Ended October 31, 2007

Operating expenses:

Cost of services -

Salaries	\$1,026,984
Employee benefits	368,866
Materials and supplies	193,238
Repairs and maintenance	488,206
Fuel	50,794
Insurance	65,527
Office supplies and postage	8,394
Telephone and utilities	540,577
Professional services	210,627
Contractual services	156,553
Computer programming	2,410
Collection fees	74,444
Equipment rental	3,664
Travel and training	3,361
Miscellaneous	13,187
Depreciation	<u>1,780,888</u>
Total operating expenses	<u>\$4,987,720</u>

This page intentionally left blank.

COMPLIANCE AND OTHER GRANT INFORMATION

This page intentionally left blank.



BROUSSARD, POCHÉ, LEWIS & BREAUX, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

4112 West Congress
P.O. Box 61400
Lafayette, Louisiana 70596-1400
phone: (337) 988-4930
fax: (337) 984-4574
www.bplb.com

Other Offices:

Crowley, LA
(337) 783-5693
Opelousas, LA
(337) 942-5217
Abbeville, LA
(337) 898-1497
New Iberia, LA
(337) 364-4554
Church Point, LA
(337) 684-2855

Herbert Lemoine II, CPA*
Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
P. John Blanchet, III, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
Martha B. Wyatt, CPA*
Fayette T. Dupré, CPA*
Mary A. Castille, CPA*
Joey L. Breaux, CPA*
Craig J. Viator, CPA*
Stacey E. Singleton, CPA*
John L. Istre, CPA*
Tricia D. Lyons, CPA
Mary T. Miller, CPA
Elizabeth J. Moreau, CPA

Retired:

Sidney L. Broussard, CPA 1925-2005
Leon K. Poché, CPA 1984
James H. Breaux, CPA 1987
Erma R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberley, CPA* 1995
Lawrence A. Cramer, CPA* 1999
Ralph Friend, CPA* 2002
Donald W. Kelley, CPA* 2005
George J. Trappey, III, CPA* 2007
Terrel P. Dressel, CPA* 2007

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the City of New Iberia
New Iberia, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of New Iberia as of and for the year ended October 31, 2007, which collectively comprise the basic financial statements of the City and have issued our report thereon dated February 29, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control. We consider the deficiencies described at #2007-1 and #2007-2 in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However we believe that the significant deficiencies described above are material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matter that are required to be reported under Government Auditing Standards.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's responses and, accordingly, we express no opinion on them.

Broussard, Roche, Lewis & Breaux, L.L.P.
Lafayette, Louisiana
February 29, 2008



BROUSSARD, POCHÉ, LEWIS & BREAU, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

4112 West Congress
P.O. Box 61400
Lafayette, Louisiana 70596-1400
phone: (337) 988-4930
fax: (337) 984-4574
www.bplb.com

Other Offices:

Crowley, LA
(337) 783-5693
Opelousas, LA
(337) 942-5217
Abbeville, LA
(337) 898-1497
New Iberia, LA
(337) 364-4554
Church Point, LA
(337) 684-2855

Herbert Lemoine II, CPA*
Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
P. John Blanchet, III, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
Martha B. Wyatt, CPA*
Fayette T. Dupré, CPA*
Mary A. Castille, CPA*
Joey L. Breaux, CPA*
Craig J. Viator, CPA*
Stacey E. Singleton, CPA*
John L. Istre, CPA*
Tricia D. Lyons, CPA
Mary T. Miller, CPA
Elizabeth J. Moreau, CPA

Retired:

Sidney L. Broussard, CPA 1925-2005
Leon K. Poché, CPA 1984
James H. Breaux, CPA 1987
Erma R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberley, CPA* 1995
Lawrence A. Cramer, CPA* 1999
Ralph Friend, CPA* 2002
Donald W. Kelley, CPA* 2005
George J. Trappey, III, CPA* 2007
Terrel P. Dressel, CPA* 2007

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the City of New Iberia
New Iberia, Louisiana

Compliance

We have audited the compliance of City of New Iberia with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended October 31, 2007. City of New Iberia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of City of New Iberia's management. Our responsibility is to express an opinion on City of New Iberia's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of New Iberia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on City of New Iberia's compliance with those requirements.

In our opinion, City of New Iberia complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended October 31, 2007.

Internal Control Over Compliance

The management of City of New Iberia is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered City of New Iberia's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City of New Iberia's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information and use of management, Board of Trustees, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Broussard, Poché, Lewis & Breaux, L.L.P.

Lafayette, Louisiana
February 29, 2008

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended October 31, 2007

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unqualified.

Internal control over financial reporting:

- Material weakness identified? X Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Noncompliance or other matters material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditors' report issued on compliance for major programs: unqualified.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes X No

Identification of major programs:

CFDA Number

66.458

Name of Federal Program

Capitalization Grants for
Clean Water State
Revolving Funds

Dollar threshold used to distinguish between type A and type B programs: \$300,000.

Auditee qualified as low-risk auditee? Yes X No

Section II. Financial Statement Findings

#2007-1 Treasury Bond

Finding: As of October 31, 2007, the City's current fiscal year end, the City had a Treasury Bond in the amount of \$200,000 that was recorded in its financial statements. When we attempted to verify the balance, we discovered that the bond had been called on November 5, 2006. As of the date of our fieldwork, the City was still holding the Treasury Bond and as a result had not received its money. This resulted in lost interest to the City for the fiscal year.

Recommendation: Procedures should be established to ensure that the City's investments are properly managed and appropriate action taken when investments are called.

Response: The City of New Iberia will prepare a quarterly report that will include but not be limited to:

- A listing of all investments, i.e. CD's, Treasury Bonds, etc., being held as of the date of the report.
- All investments current balance with maturity dates and
- All investments annual percentage yield.

#2007-2 Cash Accounts

Finding: While the City has pooled the majority of its cash into one account, they also have some funds that maintain their own cash accounts. During the current fiscal year, the City recorded the cash activity for the majority of funds out of the clearance account (pooled account) instead of recording the activity related to the funds with their own cash account out of their cash. This resulted in some funds having cash overdrafts in the clearance pool account while having positive cash in their own account. In addition, all of the interest on the separate accounts was recorded in the individual funds when the funds did not actually have the cash, since it had used the clearance account money. All of this resulted in interest income being misstated in the affected funds. Audit adjustments were made to properly state the interest amounts for the applicable funds.

Recommendation: The cash activity for funds with their own cash accounts should be recorded in the fund's separate account; their receipts and disbursements should not be recorded in the clearance account. In addition, interest should be properly recorded in the funds based on their portion of the clearance account and/or their cash balance.

Response: The City of New Iberia will ascertain that each individual funds cash account records its own receipts and disbursements. This method will ensure that interest is properly documented in each separate fund and will also minimize and/or eliminate the need to post interest based on portions of any balances in the clearance account.

Section III. Federal Award Findings and Questioned Costs

None reported.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended October 31, 2007

Section I. Internal Control and Compliance Material to the Financial Statements

No matters were reported.

Section II. Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III. Management Letter

There was no management letter in the prior year's audit report.

This page intentionally left blank.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended October 31, 2007

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Assistance I.D. Number</u>	<u>Pass- Through Grantor's Number</u>
DIRECT PROGRAMS:			
U.S. Department of Housing and Urban Development - FY 2003 EDI-Special Project	14.246	B-03-SP-LA-0273	N/A
Section 8 Housing Choice Vouchers	14.871	LA-165VO	N/A
PASS-THROUGH PROGRAMS:			
U.S. Department of Environmental Protection Agency - State of Louisiana Department of Environmental Quality: Capitalization Grants for Clean Water State Revolving Funds	66.458 66.458	N/A N/A	CS-22-1099-04 CS-22-1099-03
U.S. Department of Housing and Urban Development - Louisiana Division of Administration Community Development Block Grant Division: Block Grant - States Program	14.228	N/A	CFMS-644356
State Department of Social Services: Emergency Shelter Grant	14.231	N/A	CFMS-636063 CFMS-650096
U.S. Department of Labor - Acadiana Works: Local Workforce Investment Act	17.258	N/A	N/A

<u>Total</u> <u>Current Year</u> <u>Expenditures</u>	<u>Total Amount</u> <u>Provided to</u> <u>Subrecipients</u>
--	---

\$ 4,700	\$ -0-
----------	--------

\$ 1,422,177	\$ -0-
--------------	--------

\$ 1,243,325	\$ -
1,317,207	-
<u>\$ 2,560,532</u>	<u>\$ -0-</u>

\$ 55,078	\$ -0-
-----------	--------

\$ 20,705	\$ 20,200
5,470	5,337
<u>\$ 26,175</u>	<u>\$ 25,537</u>

\$ 6,596	\$ -0-
----------	--------

<u>\$ 4,075,258</u>	<u>\$ 25,537</u>
---------------------	------------------

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As of and For the Year Ended October 31, 2007

Note 1. General

The accompanying schedule of expenditures of federal awards includes the federal grant activity of City of New Iberia and is presented on the modified accrual basis of accounting, which is described in Note 1 to financial statements of the City's financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

Note 2. Relationship to Financial Statements

Federal awards revenues are reported in the City's financial statements as follows:

	<u>Federal Sources</u>
Major Governmental Funds:	
General Fund	\$ 30,875
Other Governmental Funds:	
Section 8 Housing Voucher Program	1,422,177
Parks and Recreation	517
Public Works	2,984
CDBG	55,078
Major Proprietary Fund:	
Sewerage	<u>3,095</u>
	<u>\$1,514,726</u>

Loan proceeds are reported in the City's financial statements as follows:

Other Governmental Funds:	
Construction Fund	\$1,243,325
Major Proprietary Fund:	
Sewerage	<u>1,317,207</u>
	<u>\$2,560,532</u>

NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 3. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

Note 4. Major Federal Awards

The dollar amount threshold of \$300,000 was used to distinguish between Type A and Type B federal programs. For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANASCHEDULE OF COMPENSATION PAID TO COUNCIL MEMBERS
Year Ended October 31, 2007

Dan Doerle	\$ 11,400
Rocky Romero	11,400
Frederick Decourt	13,200
Therese Segura	11,400
Ernest Wilson	11,400
David Broussard	11,400
Raymond Lewis	<u>11,400</u>
	<u>\$ 81,600</u>